



COUNTY OF LOS ANGELES
TREASURER AND TAX COLLECTOR



MARK J. SALADINO
TREASURER AND TAX COLLECTOR

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November 10, 2009

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**ISSUANCE AND SALE OF
LITTLE LAKE CITY SCHOOL DISTRICT
ELECTION OF 2000 GENERAL OBLIGATION BONDS, SERIES D
(FIRST DISTRICT) (3 VOTES)**

SUBJECT

The governing board of the Little Lake City School District (the "District") has requested that the County issue general obligation bonds on its behalf in an aggregate principal amount not to exceed \$9,000,000. The bonds were authorized by a vote of the qualified electors of the District and will be issued to finance capital improvements to various school facilities. Repayment of the bonds will be funded from the proceeds of ad valorem taxes levied on all taxable property within the District.

IT IS RECOMMENDED THAT YOUR BOARD:

Adopt the resolution authorizing the issuance and sale of the Little Lake City School District (Los Angeles County, California) Election of 2000 General Obligation Bonds, Series D.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On March 7, 2000, voters residing in the District approved a ballot measure authorizing the District to issue up to \$34,000,000 in general obligation bonds to fund various capital improvements. The governing board of the District adopted a resolution on October 13, 2009 and determined that the District needs to borrow funds in an

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

53 NOVEMBER 10, 2009

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

aggregate principal amount not to exceed \$9,000,000 to be used for authorized purposes. This will be the fourth issuance of bonds authorized under this ballot proposition.

Pursuant to Section 15100 et seq. of the California Education Code, the Board of Supervisors is responsible for offering the District's bonds for sale. The bonds are to be issued in the name and on behalf of the District by the County following receipt of the District's resolution requesting such borrowing.

Implementation of Strategic Plan Goals

This action supports the County's Strategic Plan Goal #1: Operational Effectiveness through collaborative actions among County departments and other governmental jurisdictions to provide investment in public school infrastructure within the County.

FISCAL IMPACT/FINANCING

There will be no fiscal impact to the County budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The resolution provides for the issuance of bonds at an interest rate not to exceed the maximum rate permitted by law. The final structure of the bonds will be determined at the time of pricing to achieve the lowest cost of financing within the tax levy limits of the proposition. The term of the bonds will not exceed twenty-five (25) years.

The District is recommending a negotiated sale of the bonds to the underwriter, with participation by the Treasurer and Tax Collector in pricing the bonds. The District has selected RBC Capital Markets as underwriter, and the firm of Stradling Yocca Carlson & Rauth as bond counsel. The Treasurer and Tax Collector will appoint U.S. Bank National Association as paying agent.

The County will annually levy and collect ad valorem taxes for the repayment of the bonds on behalf of the District.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Not applicable.

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CONCLUSION

Upon approval, it is requested that the Executive Officer-Clerk of the Board of Supervisors return two originally executed copies of the adopted resolution to the Treasurer and Tax Collector (Office of Public Finance).

Respectfully submitted,



MARK J. SALADINO
Treasurer and Tax Collector

MJS:GB:DB:JP:JW

ad:doc/Little Lake City SD Elec 2000 GO Bonds, Ser D_111009

Attachments (2)

- c: Chief Executive Officer
- Acting County Counsel
- Executive Officer, Board of Supervisors
- Auditor-Controller
- Little Lake City School District
- Los Angeles County Office of Education

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, CALIFORNIA, AUTHORIZING THE ISSUANCE AND SALE OF LITTLE LAKE CITY SCHOOL DISTRICT ELECTION OF 2000 GENERAL OBLIGATION BONDS, SERIES D, IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$9,000,000.

WHEREAS, a duly called election was held in the Little Lake City School District (the "District"), Los Angeles County (the "County"), State of California on March 7, 2000 (the "Election") and thereafter canvassed pursuant to law;

WHEREAS, at such election there was submitted to and approved by more than the requisite two-thirds of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum principal amount of \$34,000,000 payable from the levy of an *ad valorem* tax against the taxable property in the District (the "Authorization");

WHEREAS, pursuant to Chapter 1 of Part 10 of Division 1 of Title 1 (commencing with Section 15100 *et seq.*) of the California Education Code (the "Act"), bonds are authorized to be issued for the purposes set forth in the ballot submitted to voters;

WHEREAS, on July 12, 2000, the Board of Supervisors of the County of Los Angeles (the "County Board" issued in the name of the District \$9,000,000 aggregate principal amount of a first series of bonds under the Authorization styled as the "Little Lake City School District (Los Angeles County, California) Election of 2000 General Obligation Bonds, Series A" (the "Series A Bonds");

WHEREAS, on August 1, 2002, the County Board issued in the name of the District \$7,000,000 aggregate principal amount of a second series of bonds under the Authorization styled as the "Little Lake City School District (Los Angeles County, California) Election of 2000 General Obligation Bonds, Series B" (the "Series B Bonds");

WHEREAS, on February 28, 2006, the Board of Supervisors of the County issued in the name of the District \$9,000,000 aggregate principal amount of a third series of bonds under the Authorization styled as the "Little Lake City School District (Los Angeles County, California) Election of 2000 General Obligation Bonds, Series C" (the "Series C Bonds");

WHEREAS, the County Board has received a resolution (the "District Resolution") by the governing board of the District (the "District Board") which requests the County Board to issue a fourth series of bonds in the name of the District in an aggregate principal amount of not to exceed \$9,000,000 at a maximum interest cost not to exceed that permitted by law, to be designated as "Little Lake City School District (Los Angeles County, California) Election of 2000 General Obligation Bonds, Series D" with an appropriate series designation if more than one series is issued, commencing with Series D-1 and numbered successively (collectively the "Bonds");

WHEREAS, the District has authorized the issuance of the Bonds in one or more series of bonds and in any combination of Current Interest Bonds, Capital Appreciation Bonds, and Convertible Capital Appreciation Bonds, all as defined herein;

WHEREAS, District Board adopted a resolution authorizing District officials to submit an application requesting that a portion of said national allocation be granted to the District (the "District Allocation");

WHEREAS, the District received a District Allocation in the amount of \$9,000,000 at the lottery held by the California Department of Education on August 25, 2009

WHEREAS, the District has authorized the issuance of all or a portion of the Bonds as qualified school construction tax credit bonds pursuant to the American Reinvestment and Recovery Act of 2009 ("ARRA");

WHEREAS, the District Board has authorized the sale of the Bonds at a negotiated sale, which the District Board has determined provides more flexibility in the timing of the sale, an ability to implement the sale in a shorter time period, an increased ability to structure the Bonds to fit the needs of particular purchasers, and a greater opportunity for RBC Capital Markets Corporation (the "Underwriter") to pre-market the Bonds to potential purchasers prior to the sale, all of which the District Board has determined will contribute to the District's goal of achieving the lowest overall cost of funds;

WHEREAS, the District Board has estimated that the costs associated with the issuance of the Bonds, including compensation to the Underwriter and any such costs which the Underwriter agrees to pay pursuant to the Purchase Contract (defined herein), will not exceed approximately 4% of the principal amount of the Bonds;

WHEREAS, pursuant to Section 265 of the Internal Revenue Code of 1986, as amended (the "Code"), under certain circumstances, certain obligations the interest on which is excluded from gross income for federal income tax purposes under Section 103 of the Code may be designated by the issuer thereof as "qualified tax-exempt obligations," thereby allowing certain financial institutions that are holders of such qualified tax-exempt obligations to deduct for federal income tax purposes a portion of such institution's interest expense that is allocable to such qualified tax-exempt obligations, all as determined in accordance with Sections 265 and 291 of the Code;

WHEREAS, the District has designated the tax-exempt portion of the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code;

WHEREAS, the District Board has appointed Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California as Bond Counsel and Disclosure Counsel in connection with the issuance of the Bonds; and

WHEREAS, the District Board has appointed RBC Capital Markets Corporation, Los Angeles, California as Underwriter and Keygent LLC, El Segundo, California as Financial Advisor in connection with the issuance of the Bonds; and

WHEREAS, all acts, conditions and things required by law to be done or performed have been done and performed pursuant to the laws authorizing the issuance of general obligation bonds of the District, and the indebtedness of the District, including this proposed issue of Bonds, is within all limits prescribed by law;

NOW, THEREFORE, IT IS FOUND, DETERMINED, ORDERED AND RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, CALIFORNIA, AS FOLLOWS:

Section 1. Recitals. All of the above recitals are true and correct.

Section 2. Certain Definitions. As used in this Resolution, the terms set forth below shall have the meanings ascribed to them:

“Accreted Interest” means, with respect to the Capital Appreciation Bonds and the Convertible Capital Appreciation Bonds, the Accreted Value thereof minus the Principal Amount thereof as of the date of calculation.

“Accreted Value” means, with respect to the Capital Appreciation Bonds and any Convertible Capital Appreciation Bonds prior to the Conversion Date, as of the date of calculation, the Principal Amount thereof, plus interest thereon to such date of calculation, compounded semiannually on each Bond Payment Date at the Accretion Rate, assuming in any such semiannual period that such Accreted Value increases in equal daily amounts on the basis of a 360-day year of twelve 30-day months.

“Accretion Rate” means the stated rate thereof set forth in the applicable Purchase Contract which, (i) when applied to the Principal Amount of any Capital Appreciation Bond and compounded semiannually on each Bond Payment Date, produces the Accreted Value on the maturity date, and (ii) when applied to any Convertible Capital Appreciation Bond and compounded semiannually on each Bond Payment Date, produces the Conversion Value on the Conversion Date.

“Accountable Event of Loss of Qualified School Construction Bond Status” shall mean (i) any act or any failure to act on the part of the District constituting a breach of a covenant or agreement of the District contained in the Resolutions or the Tax Credits Separation Certificate which causes the Qualified School Construction Bonds to lose their status, or fail to qualify, as Qualified School Construction Bonds, (ii) the making by the District of any representation contained in the Resolutions or the Tax Credits Separation Certificate which was untrue when made and the untruth of which representation at such time causes the Qualified School Construction Bonds to lose their status, or fail to qualify, as Qualified School Construction Bonds, or (iii) any other event as may be provided in a Purchase Contract with respect to the Qualified School Construction Bonds.

“Authorized County Officer” shall mean the County Treasurer, any designee of the County Treasurer, or any other officer of the County designated by the Board of Supervisors.

“Authorized Denominations” shall mean denominations of \$5,000 principal amount, Maturity Value or Conversion Value, as applicable, or any integral multiple thereof; provided, however, that Authorized Denominations shall mean (i) with respect to Qualified School Construction Bonds and Principal Strip Certificates thereof, in the Principal Amount authorized in the applicable Purchase Contract, or any integral multiple thereof; (ii) with respect to Interest Bearing Bonds prior to any separation of Cash Interest Certificates from the Principal Component thereof, \$5,000 or any integral multiple thereof; (iii) with respect to Interest Bearing Bonds and the Principal Strip Certificates thereof subsequent to any separation of the Cash Interest Certificates from the Principal Component thereof, in the Principal Amount authorized in the applicable Purchase

Contract, or any integral multiple thereof; (iv) with respect to Tax Credit Certificates and Cash Interest Certificates for any single Tax Credit Allowance Date, the Authorized Denomination shall mean the amount set forth in the Tax Credits Separation Certificate and the applicable Purchase Contract, which is an amount equal to \$40,000 times the Tax Credit Rate, divided by four (4), or any integral multiple thereof, except that Authorized Denominations for Tax Credit Certificates or Cash Interest Certificates with respect to the first Tax Credit Allowance Date shall be as provided in the Tax Credits Separation Certificate as provided in or supplemented by the applicable Purchase Contract.

“Authorizing Law” means, collectively, (i) Chapter 1, Part 10, Division 1, of Title 1 of the California Education Code of the State of California (commencing with Section 15100), as amended, and (ii) Article XIII A of the California Constitution.

“Authorized Representative of the District” means the Superintendent of the District, the Assistant Superintendent, Business Services, the Director of Fiscal Services, or a designated deputy thereof.

“Board” means the Board of Supervisors of the County.

“Bond Insurer” means any insurance company which issues a municipal bond insurance policy insuring the payment of Principal Amount of and any interest, including Accreted Interest, on a series of Bonds.

“Bond Obligation” means, from time to time as of the date of calculation, with respect to any Current Interest Bond and Qualified School Construction Bond, the Principal Amount thereof and, with respect to any Capital Appreciation Bond, the Accreted Value thereof, and, with respect to any Convertible Capital Appreciation Bond, prior to the Conversion Date the Accreted Value thereof and after the Conversion Date the Conversion Value thereof.

“Bond Payment Date” means, (i) with respect to any Bonds which bear interest on a current basis, the payment dates specified in the applicable Purchase Contract, and (ii) with respect to the Principal payments on the Bonds, the dates provided in the applicable Purchase Contract for such Bonds. With respect to Qualified School Construction Bonds, Interest Bearing Bonds, Principal Strip Certificates, or Cash Interest Certificates, if any, “Bond Payment Date” shall mean March 15, June 15, September 15 and December 15 in each year or such other dates as shall be set forth in the related Purchase Contract and the Tax Credits Separation Certificate.

“Bond Register” means the listing of names and addresses of the current registered owners of each Bond, as maintained by the Paying Agent in accordance with Section 11 hereof.

“Bonds” means the Little Lake City School District Election of 2000 General Obligation Bonds issued and delivered pursuant to this Resolution.

“Building Fund” means the Little Lake City School District Election of 2000 General Obligation Bonds Building Fund established pursuant to Section 15 of this Resolution.

“Business Day” means a day which is not a Saturday, Sunday or a day on which banking institutions in the State or the State of New York and the New York Stock Exchange are authorized or required to be closed.

“Capital Appreciation Bonds” means any Bonds the interest component of which is compounded semiannually to maturity as shown in the table of Accreted Values for such Bonds set forth in the Purchase Contract for such Bonds.

“Capital Appreciation Term Bonds” means those Capital Appreciation Bonds for which mandatory sinking fund redemption dates have been established in the Purchase Contract for such Bonds.

“Cash Interest Certificates” shall mean the certificates evidencing interest payment entitlement with respect to any Interest Bearing Bonds, executed and delivered in accordance with the Resolutions and the Tax Credits Separation Certificate, from and after a Tax Credit Conversion Date, which certificates evidence the entitlement of the Owner thereof to cash interest payment or payments with respect to any Interest Bearing Bonds, the cash interest payments related to which have been separated therefrom pursuant to the Resolutions and the Tax Credits Separation Certificate.

“Code” means the Internal Revenue Code of 1986, as amended.

“Continuing Disclosure Certificate” shall mean the Continuing Disclosure Certificate executed by the District in connection with the delivery of a series of Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“Convertible Capital Appreciation Bonds” means any Bonds which are originally issued as Capital Appreciation Bonds, but which convert to Current Interest Bonds on a Conversion Date. Prior to its Conversion Date, a Convertible Capital Appreciation Bond shall be treated as a Capital Appreciation Bond hereunder and after the Conversion Date shall be treated as a Current Interest Bond hereunder.

“Conversion Date” means, with respect to each Convertible Capital Appreciation Bond, the date as stated in the Purchase Contract, as the date on which such Convertible Capital Appreciation Bond converts to a bond which bears interest payable on each Bond Payment Date.

“Conversion Value” means the Accreted Value of a Convertible Capital Appreciation Bond as of its Conversion Date.

“Costs of Issuance” means all of the costs of issuing the Bonds, including, but not limited to, all printing and document preparation expenses in connection with this Resolution, the Bonds and any Official Statement pertaining to the Bonds and any and all other agreements, instruments, certificates or other documents prepared in connection therewith; financial advisory fees; underwriter’s fees; rating agency fees; auditor’s fees; CUSIP service bureau charges; legal fees and expenses of counsel with respect to the Bonds; the initial fees and expenses of the Paying Agent; fees for credit enhancement relating to the Bonds; and other fees and expenses incurred in connection with the issuance of the Bonds, to the extent such fees and expenses are approved by an Authorized Representative of the District.

“County” means the County of Los Angeles, California.

“Current Interest Bonds” means any Bonds the interest on which is payable on each Bond Payment Date specified for such Bond in the applicable Purchase Contract.

“Date of Determination of Loss of Qualified School Construction Bond Status” means the date on which the Internal Revenue Service or a court of competent jurisdiction has issued to the District a Determination of Loss of Qualified School Construction Bond Status.

“Date of Issuance” means as to each series of Bonds the date on which such series of the Bonds is delivered to the Underwriter thereof.

“Date of Loss of Qualified School Construction Bond Status” shall mean the date specified in a Determination of Loss of Qualified School Construction Bond Status as the date from and after which the Qualified School Construction Bonds lost their status, or failed to qualify, as Qualified School Construction Bonds as a result of an Accountable Event of Loss of Qualified School Construction Bond Status, which date could be as early as the date of initial issuance and delivery of the Qualified School Construction Bonds.

“Debt Service Fund” means the Little Lake City School District Election of 2000 General Obligation Bonds Debt Service Fund established pursuant to Section 15 of this Resolution.

“Depository” means the securities depository acting as Depository pursuant to Section 13 hereof.

“Determination of Loss of Qualified School Construction Bond Status” shall mean (i) a final determination by the Internal Revenue Service (after the District has exhausted all administrative appeal remedies) determining that an Accountable Event of Loss of Qualified School Construction Bond Status has occurred and specifying the Date of Loss of Qualified School Construction Bond Status and the amount of Qualified School Construction Bonds that are subject to the Accountable Event of Loss of Qualified School Construction Bond Status, (ii) non-appealable holding by a court of competent jurisdiction holding that an Accountable Event of Loss of Qualified School Construction Bond Status has occurred and specifying the Date of Loss of Qualified School Construction Bond Status, or (iii) any other event as may be provided in the Purchase Contract with respect to the Qualified School Construction Bonds.

“District” means the Little Lake City School District.

“DTC” means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York in its capacity as securities depository for the Bonds.

“Informational Services” means national information services that disseminate securities redemption notices; or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other services providing information with respect to called bonds as the District may specify in a certificate to the County and the Paying Agent or as the Paying Agent may select.

“Interest Bearing Bonds” shall mean the Qualified School Construction Bonds from and after the Tax Credit Conversion Date, if any.

“Maturity Value” means the Accreted Value of any Capital Appreciation Bond on its maturity date.

“Nominee” means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 13 hereof.

“Official Statement” means the offering document to be delivered to investors with respect to a series of Bonds as described in Section 24 below.

“Outstanding”, when used with reference to the Bonds, means, as of any date, Bonds theretofore issued or thereupon being issued under this Resolution except:

- (a) Bonds canceled at or prior to such date;
- (b) Bonds in lieu of or in substitution for which other Bonds shall have been delivered pursuant to Section 11 hereof; or
- (c) Bonds for the payment or redemption of which funds or Federal Securities in the necessary amount shall have been set aside (whether on or prior to the maturity or redemption date of such Bonds), in accordance with Section 17 or 18 of this Resolution.

“Owner” means the registered owner of a Bond and as set forth on the registration books maintained by the Paying Agent pursuant to Section 11 hereof and with respect to any Principal Strip Certificate, Tax Credit Certificate, or Cash Interest Certificate, the Person in whose name such Principal Strip Certificate, Tax Credit Certificate, or Cash Interest Certificate shall be registered on such registration books.

“Participants” means those broker-dealers, banks and other financial institutions from time to time for which the Depository holds book-entry certificates as securities depository.

“Paying Agent” means the County Treasurer or any bank, trust company, national banking association or other financial institution appointed as authenticating agent, bond registrar, transfer agent and paying agent for the Bonds in the manner provided in this County Resolution.

“Principal” or “Principal Amount” means, with respect to any Bond, the principal or principal amount thereof as specified in the Purchase Contract for such Bond.

“Principal Components” shall mean the principal payment with respect to any Qualified School Construction Bond or Interest Bearing Bond, as applicable, the Tax Credits or cash interest payments related to which have been separated therefrom pursuant to the Resolutions and the Tax Credits Separation Certificate.

“Principal Strip Certificates” shall mean the certificates evidencing principal component entitlement related to any Qualified School Construction Bond or Interest Bearing Bond, as applicable, executed and delivered in accordance with the Resolutions and the Tax Credits Separation Certificate, which certificates evidence the entitlement of the Owner thereof to the Principal Components with respect to any Qualified School Construction Bond or Interest Bearing Bond, as applicable, the Tax Credits or cash interest payments related to which have been separated therefrom pursuant to the Resolutions and the Tax Credits Separation Certificate.

“Projects” shall have the meaning given to that term in Section 3 of this Resolution.

“Projects Costs” means all of the expenses of and incidental to the construction and/or acquisition of the Projects, including Costs of Issuance.

“Purchase Contract” means, as applicable, the Purchase Contract or Tax Credit Purchase Contract executed for a series of Bonds in accordance with Section 5 of this Resolution.

“Qualified School Construction Bond” means any Bond issued under the Tax Credit Program from the District’s Allocation.

“Rebate Fund” means the Little Lake City School District Election of 2000 General Obligation Bonds Rebate Fund established pursuant to Section 15 of this Resolution.

“Record Date” means, with respect to any Bond on which current interest is being paid, the close of business on the fifteenth day of the month preceding each Bond Payment Date for such Bond or the close of business on the 1st day of the month preceding a Bond Payment Date with respect to Qualified School Construction Bonds, Interest Bearing Bonds, Principal Strip Certificates, Tax Credit Certificates, if any, or such other date or dates as shall be set forth in the related Purchase Contract.

“Redemption Date” means any date on which any Bond is subject to optional redemption or mandatory sinking fund redemption in accordance with Section 12 hereof.

“Resolution” or “County Resolution” means this Resolution adopted by the Board of Supervisors of the County on November 10, 2009.

“Resolutions” shall mean the District Resolution and the Resolution.

“Securities Depositories” means The Depository Trust Company, 55 Water Street, New York, New York 10041, Facsimile transmission: (212) 785-9681, or such other securities depositories as are designated by the District or the Paying Agent and whose business is to perform the functions of a clearing agency with respect to exempted securities, as defined in Section 3(a)(12) of the Securities Exchange Act of 1934, and who is registered as a clearing agency under Section 17A of the Act.

“Supplemental Coupon” means the interest, if any, which the Qualified School Construction Bonds bear at the time of issuance thereof notwithstanding any subsequent conversion thereof to an Interest Bearing Bond.

“Supplemental Resolution” means any resolution supplemental to or amendatory of this Resolution, adopted by the County in accordance with Section 26 hereof.

“Tax Certificate” means the certificate by that name executed by the District on the Date of Issuance of a series of Bonds.

“Tax Credit Allowance Date” shall mean, with respect to Qualified School Construction Bonds, each March 15, June 15, September 15 and December 15 of each year and the maturity date of the Qualified School Construction Bonds, beginning as provided in the Tax Credits Separation Certificate and ending on the maturity date of the related Qualified School Construction Bond.

“Tax Credit Certificates” shall mean the certificates evidencing tax credit entitlement related to any Qualified School Construction Bond, executed and delivered in accordance with the Resolutions and the Tax Credits Separation Certificate, which certificates evidence the entitlement of the Owner thereof to the Tax Credits with respect to any Qualified School Construction Bond, the

Principal Components related to which have been separated therefrom pursuant to the Resolutions and the Tax Credits Separation Certificate.

“Tax Credit Conversion Date” shall mean (i) the Date of Determination of Loss of Qualified School Construction Bond Status, (ii) the date that the Paying Agent receives written notice from the District of its election to convert the Qualified School Construction Bonds to Interest Bearing Bonds as provided in the Tax Credits Separation Certificate, or (iii) such other date as may be provided in the applicable Purchase Contract with respect to the Qualified School Construction Bonds.

“Tax Credit Expiration Date” means the date required under the Tax Credit Program for the maturity or mandatory tender of the Qualified School Construction Bonds.

“Tax Credit Program” means the qualified tax credit bond program found in Section 54A of the Code.

“Tax Credit Rate” means the tax credit rate for the Qualified School Construction Bonds established by the United States Department of Treasury set forth in the applicable Purchase Contract and the Tax Credits Separation Certificate.

“Tax Credits” shall mean the entitlement, pursuant to Section 54A(a) of the Code, of a taxpayer to recognize a credit against the tax imposed by Chapter 1 of the Code.

“Tax Credits Separation Certificate” shall mean the certificate executed and delivered by the District and the County in connection with the issuance of the Qualified School Construction Bonds providing the terms and conditions pursuant to which: (i) the ownership of the Principal Component of a Qualified School Construction Bond is separated from the ownership of the related Tax Credit Certificate; (ii) the ownership of the Principal Component of an Interest Bearing Bond may be separated from the entitlement of the Owner thereof to the related cash interest payment; (iii) the ownership of Principal Strip Certificates and Tax Credit Certificates may be recombined into Qualified School Construction Bonds; and (iv) the ownership of Principal Strip Certificates and Cash Interest Certificates may be recombined into Interest Bearing Bonds.

“Tax-Exempt Bonds” means any Bonds which, as set forth in the related Tax Certificate for such Bonds, are issued as bonds the interest on which is excluded from gross income for federal income tax purposes.

“Term Bonds” means those Bonds for which mandatory sinking fund redemption dates have been established in the applicable Purchase Contract.

“Transfer Amount” shall mean, with respect to any Outstanding Current Interest Bond, the aggregate Principal Amount, with respect to any Outstanding Capital Appreciation Bond, the Maturity Amount, with respect to any Outstanding Convertible Capital Appreciation Bond, its Conversion Value and, with respect to any Qualified School Construction Bond, its Principal Amount.

“Treasurer” means the Treasurer and Tax Collector of the County and such other persons as may be designated by the Treasurer and Tax Collector to act on his behalf.

“Underwriter” means RBC Capital Markets Corporation, or such other underwriter selected to purchase any of the Bonds as designated by an Authorized Representative of the District at the time of pricing of such Bonds.

Section 3. Purpose of the Bonds. The Bonds of the District shall be issued pursuant to the Authorizing Law in the name and on behalf of the District in one or more series in an aggregate Principal Amount not to exceed \$9,000,000, and this Board of Supervisors hereby authorizes, on behalf of the Little Lake City School District, the issuance and sale of the Bonds in one or more series and designates said Bonds to be issued and sold as the “Little Lake City School District Election of 2000 General Obligation Bonds Series D,” with the first series of Bonds to be designated Series D and each series thereafter numbered sequentially commencing with Series D-1 (herein called the “Bonds”). The Bonds shall be issued as Current Interest Bonds, Capital Appreciation Bonds, Convertible Capital Appreciation Bonds, or Qualified School Construction Bonds (which may be converted to Interest Bearing Bonds pursuant to this County Resolution and the Tax Credits Separation Certificate), or any combination thereof, as provided in Sections 4 and 6 hereof.

The proceeds of the Bonds will be used for any of the purposes authorized by the Proposition, including the acquisition of land, the construction, equipping, furnishing, reconstruction, rehabilitation and replacement of school facilities and sites and the prepayment of any of lease payments or the repayment of other amounts owing by the District on financing entered into to fund such items on an interim basis (collectively, the “Projects”).

Section 4. Terms and Conditions of Sale. The Bonds shall be sold at one or more negotiated sales pursuant to the Authorizing Law in accordance with the terms of this Resolution. Each series of Bonds shall be sold pursuant to the terms and conditions set forth in the Purchase Contract executed with respect to such series, as described in Sections 5 below.

Section 5. Approval of Purchase Contract. The form of a Purchase Contract (the “Purchase Contract”) by and among the County, the District and the Underwriter for each series, for the purchase and sale of the Bonds, substantially in the forms presented at this meeting, are hereby approved and the Treasurer and Tax Collector of the County or any authorized designee thereof (the “Treasurer”) is hereby authorized to execute and deliver the Purchase Contract for each series, and either the Superintendent, the Assistant Superintendent, Business Services, Director of Fiscal Services or the designated deputy thereof is hereby requested to acknowledge the execution of such Purchase Contract for each series, with such changes therein, deletions therefrom and modifications thereto as the Treasurer may approve, such approval to be conclusively evidenced by his execution and delivery thereof; provided, however, that the maximum interest rate on the Bonds shall not exceed that authorized at the Election and the underwriting discount thereon, excluding original issue discount and reimbursable expenses and costs of issuance paid by the Underwriter, shall not exceed 1% of the aggregate principal amount of Bonds issued. The Treasurer is further authorized to determine the principal amount of the Bonds to be specified in the Purchase Contract for each series for sale by the County Board up to \$9,000,000 and to enter into and execute the Purchase Contract for each series with the Underwriter, if the conditions set forth in this Resolution are satisfied.

The terms of each Purchase Contract shall recite the aggregate principal amount of the Bonds being sold thereunder, and with respect to the Current Interest Bonds shall recite the date thereof, the maturity dates, principal amounts and annual rates of interest of each maturity thereof, the initial and semiannual interest payment dates thereof, and the terms of optional and mandatory sinking fund redemption thereof; and with respect to the Capital Appreciation Bonds shall recite the date thereof,

the initial principal amounts, maturity dates, and maturity values of each maturity thereof, and the initial and semiannual interest dates thereof, and the terms of optional and mandatory sinking fund redemption thereof; and, with respect to the Convertible Capital Appreciation Bonds, shall recite the date thereof, the Conversion Dates (defined below) thereof, initial principal amounts, accreted values at the Conversion Dates and annual rates of interest of each maturity thereof, the initial and semiannual interest payment dates thereof, and the terms of optional and mandatory sinking fund redemption thereof; and, with respect to the Qualified School Construction Bonds, shall recite the date thereof, the Tax Credit Expiration Date (defined below) thereof, principal amounts and annual rates of interest of each maturity thereof, the interest payment dates therefor, the terms of optional and mandatory tender thereof, and the terms of optional, extraordinary mandatory and mandatory sinking fund redemption thereof. Each Purchase Contract for one or more series of Bonds, together with this Resolution, shall constitute the order of the Board of Supervisors for purposes of Section 15230 of the Education Code.

Section 6. Terms of the Bonds.

(a) The Bonds entitled to the benefit, protection and security of this Resolution are hereby authorized in an aggregate Principal Amount not to exceed \$9,000,000. Such Bonds shall be general obligation bonds of the District, payable as to Principal, premium, if any, and interest from *ad valorem* taxes to be levied upon all of the taxable property in the District. The Bonds shall be designated "Little Lake City School District, Los Angeles County, California, Election of 2000 General Obligation Bonds Series D," and each series thereafter numbered sequentially commencing with Series D-1. The Bonds may be issued as Current Interest Bonds and/or Capital Appreciation Bonds and/or Convertible Capital Appreciation Bonds and/or Qualified School Construction Bonds as set forth in each Purchase Contract, subject to the provisions of this Resolution.

(b) The Bonds shall be issued as bonds registered as to both principal and interest and unless otherwise specified in the applicable Purchase Contract, in the denominations of, with respect to the Current Interest Bonds, \$5,000 Principal Amount, or any integral multiple thereof, with respect to the Capital Appreciation Bonds, \$5,000 Maturity Value, or any integral multiple thereof, with respect to Convertible Capital Appreciation Bonds, \$5,000 Conversion Value, or any integral multiple thereof and, with respect to the Qualified School Construction Bonds, in the Principal Amount authorized in the Tax Credits Separation Certificate, or any integral multiple thereof; provided that one Capital Appreciation Bond may be issued in an odd Maturity Value and one Current Interest Bond may be issued in a denomination in excess of \$5,000 that is not an integral multiple thereof.

(c) The Current Interest Bonds shall mature in the years and be issued in the Principal Amounts as set forth in the applicable Purchase Contract. Each Current Interest Bond shall be dated as set forth in the Purchase Contract and shall bear interest at the applicable interest rate set forth in the Purchase Contract from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before the first Record Date, in which event it shall bear interest from its date of issuance; provided, however, that, if at the time of registration of any Current Interest Bond interest with respect thereto is in default, interest with respect thereto shall be payable from the Bond Payment Date to which interest has previously been paid or made available for payment.

(d) Each Capital Appreciation Bond shall be dated, and shall accrete interest equal to the Accreted Interest for such Bond from, its Date of Issuance. Capital Appreciation Bonds will not bear interest payable on a current basis. The Capital Appreciation Bonds shall be issued in fully registered form, shall mature in the years and shall be issued in the aggregate Principal Amounts set forth in the applicable Purchase Contract and shall accrete interest at the rate or rates and shall have Principal Amounts per each five thousand dollars (\$5,000) in Maturity Value as shown in the Accreted Value Table contained in the Official Statement; provided, that in the event that the amount shown in such Accreted Value Table and the Accreted Value calculated by the County or the Paying Agent by application of the definition of Accreted Value set forth in this Section 2 differ, the latter amount shall be the Accreted Value of such Capital Appreciation Bond.

(e) Each Convertible Capital Appreciation Bond shall be dated, and shall accrete interest equal to the Accreted Interest for such Bond from, its Date of Issuance to its Conversion Date and during such period no interest shall be payable on a current basis. From and after its Conversion Date, each Convertible Capital Appreciation Bond will bear interest payable on a current basis on the Conversion Value thereof on each Bond Payment Date at the interest rate set forth in the applicable Purchase Contract for such Bond. The Convertible Capital Appreciation Bonds shall be issued in fully registered form, shall mature in the years and shall be issued in the aggregate Principal Amounts set forth in the applicable Purchase Contract and shall accrete interest at the rate or rates and shall have Principal Amounts per each five thousand dollars (\$5,000) in Conversion Value as shown in the Accreted Value Table contained in the Official Statement; provided that, in the event that the amount shown in such Accreted Value Table and the Accreted Value calculated by the County or the Paying Agent by application of the definition of Accreted Value set forth in this Section 2 differ, the latter amount shall be the Accreted Value of such Convertible Capital Appreciation Bond.

(f) The Qualified School Construction Bonds, as applicable, shall bear interest payable on each Bond Payment Date at the rates set forth in the related Purchase Contract. The Qualified School Construction Bonds shall mature on the date, in each of the years, in the principal amounts and in the aggregate principal amount as shall be set forth in the applicable Purchase Contract; provided that each Qualified School Construction Bond shall mature or be subject to mandatory tender not later than the Tax Credit Expiration Date required under the Tax Credit Program. To the extent that the Bonds are issued as Qualified School Construction Bonds, such Bonds shall have, in addition to any applicable terms and provisions herein, such additional terms and provisions as may be set forth in the related Purchase Contract or Tax Credits Separation Certificate.

The Tax Credits Separation Certificate relating to the Qualified School Construction Bonds may provide that such Bonds shall not bear interest until such Bonds lose their status or fail to qualify as Qualified School Construction Bonds under Section 54F of the Code; provided, however, that (i) the Owner of the Principal Strip Certificate related to a Principal Component shall be entitled to the Supplemental Coupon, if any, related to such Qualified School Construction Bond or Interest Bearing Bond, if any, as applicable, payable on each Bond Payment Date in each year or on such other dates and commencing on such dates as provided in the related Bond Purchase Agreement and the Tax Credits Separation Certificate and (ii) in the event a Determination of Loss of Qualified School Construction Bond Status or the election by the District to convert the Qualified School Construction Bonds to Interest Bearing Bonds has occurred or as otherwise set forth in the Tax Credits Separation Certificate, such Interest Bearing Bonds shall bear interest at the Tax Credit Rate, which shall be in addition the Supplemental Coupon, if any, which shall be payable on each Bond

Payment Date in each year or on such other dates and commencing on such dates as provided in the related Bond Purchase Agreement and the Tax Credits Separation Certificate.

(g) Designation of Taxable Bonds; Determination in Connection with Federally Taxable Bonds. A portion of the Bonds may be designated as Qualified School Construction Bonds in accordance with Section 54F of the Code. In accordance with Section 5903 of the Government Code, this Board of Supervisors hereby determines that the interest payable on the portion of Bonds to be issued as Taxable Bonds will be subject to federal income taxation, as set forth in the related Purchase Contract and the Tax Credits Separation Certificate.

Section 7. Execution. The Bonds shall be in substantially the forms set forth in Exhibits C, D and E hereto.

The Qualified School Construction Bonds may be issued in a form that permits the separation of the ownership of the Principal Component of the Qualified School Construction Bonds from the entitlement of the Owner thereof to the related Tax Credits pursuant to the Tax Credits Separation Certificate and the separation of the ownership of the Principal Component of an Interest Bearing Bond, from and after a Tax Credit Conversion Date, from the entitlement of the Owner thereof to the related cash interest payment pursuant to the Tax Credits Separation Certificate. Further, the Qualified School Construction Bonds may be issued in a form that permits the recombination of Principal Strip Certificates and Tax Credit Certificates into Qualified School Construction Bonds, the recombination of Principal Strip Certificates and Cash Interest Certificates into Interest Bearing Bonds pursuant to the Tax Credits Separation Certificate and the conversion of the Qualified School Construction Bonds to Interest Bearing Bonds.

The Bonds shall be signed by the Chairman of the Board and the Treasurer, or a deputy of the Treasurer, by their manual or facsimile signatures and countersigned by the manual or facsimile signature of the Clerk of the Board, or by an authorized deputy, all in their official capacities. The Interest Bearing Bonds, Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates shall also be signed and authenticated in accordance with the Tax Credits Separation Certificate. The County's seal (or a facsimile thereof) may be impressed, imprinted, engraved or otherwise reproduced on each Bond, Principal Strip Certificate, Tax Credit Certificate and Cash Interest Certificate. In case any one or more of the officers who shall have signed or sealed any of the Bonds, Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates shall cease to be such officer before the Bonds, Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates so signed and sealed shall have been issued by the County on behalf of the District, such Bonds, Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates may, nevertheless, be issued, as herein provided, as if the persons who signed or sealed such Bonds, Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates had not ceased to hold such offices. No Bond, Principal Strip Certificate, Tax Credit Certificate and Cash Interest Certificate shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under this Resolution unless and until the certificate of authentication printed on the Bond, Principal Strip Certificate, Tax Credit Certificate and Cash Interest Certificate is signed by the Paying Agent as authenticating agent. Authentication by the Paying Agent shall be conclusive evidence that the Bond, Principal Strip Certificate, Tax Credit Certificate and Cash Interest Certificate so authenticated has been duly issued, signed and delivered under this Resolution and is entitled to the security and benefit of this Resolution.

The Paying Agent shall assign each Bond, Principal Strip Certificate, Tax Credit Certificate and Cash Interest Certificate authenticated and registered by it a distinctive letter, or number, or letter and number, and shall maintain a record thereof at its principal corporate trust office, which record shall be available to the District and the County for inspection.

Section 8. Appointment of Paying Agent.

(a) This Board does hereby appoint the Treasurer to act as the authenticating agent, bond registrar, transfer agent and paying agent (collectively, the "Paying Agent") for the Bonds. The Treasurer is hereby authorized to contract with any third party to perform the services of Paying Agent under this Resolution. All fees and expenses incurred for services of the Paying Agent shall be the sole responsibility of the District.

(b) Unless otherwise provided, the office of the Paying Agent designated by the Paying Agent shall be the place for the payment of Principal of, premium, if any, and interest on the Bonds.

(c) The Paying Agent, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document furnished to it pursuant to any provision of this Resolution, shall examine such instrument to determine whether it conforms to the requirements of this Resolution and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. The Paying Agent may consult with counsel, who may or may not be counsel to the District, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Resolution in good faith and in accordance therewith.

(d) The District shall pay to the Paying Agent from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Resolution. In no event shall the County be required to expend its own funds hereunder.

Section 9. Resignation or Removal of Paying Agent and Appointment of Successor.

(a) The Paying Agent may at any time resign and be discharged of the duties and obligations created by this Resolution by giving at least 60 days' written notice to the District and the County. The Paying Agent may be removed at any time by the County. A successor Paying Agent shall be appointed by the County and shall be a bank or trust company organized under the laws of any state of the United States, a national banking association or any other financial institution, having capital stock and surplus aggregating at least \$100,000,000 and doing business in the State of California and willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Resolution. Such Paying Agent shall signify the acceptance of its duties and obligations hereunder by executing and delivering to the County and the District a written acceptance thereof. Resignation or removal of the Paying Agent shall be effective upon appointment and acceptance of a successor Paying Agent.

(b) In the event of the resignation or removal of the Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor, or, if there is no successor, to the Treasurer. In the event that for any reason there shall be a vacancy in the

office of the Paying Agent, the Treasurer shall act as such Paying Agent. The County shall cause the new Paying Agent appointed to replace any resigned or removed Paying Agent to mail notice of its appointment and the address of its principal office to all registered Owners.

Section 10. Payment of Principal and Interest. The Principal of and interest on the Bonds shall be payable in lawful money of the United States of America without deduction for the services of the Paying Agent as paying agent. Principal of the Current Interest Bonds and the Qualified School Construction Bonds, Interest Bearing Bonds and Principal Strip Certificates, if any, the Conversion Value of the Convertible Capital Appreciation Bonds and the Maturity Value of the Capital Appreciation Bonds shall be payable when due upon presentation and surrender of the Bonds at the office of the Paying Agent which has been designated by the Paying Agent for purposes of paying Principal of the Current Interest Bonds and the Qualified School Construction Bonds, Interest Bearing Bonds and Principal Strip Certificates, if any, the Conversion Value of the Convertible Capital Appreciation Bonds and Maturity Value of the Capital Appreciation Bonds on the Bonds.

Any interest due on Current Interest Bonds, the Convertible Capital Appreciation Bonds after the Conversion Date, Qualified School Construction Bonds and Interest Bearing Bonds, if any, as applicable, shall be paid on each Bond Payment Date by check mailed by first class mail to the Owner thereof or, if applicable, to the Owner of the related Qualified School Construction Bonds, Interest Bearing Bonds, or Cash Interest Certificates, as of the Record Date, and to that person's address appearing on the Bond Register (as described in Section 11 below) at the close of business on the Record Date. The Owner of an aggregate Principal Amount of \$1,000,000 or more of Bonds or Cash Interest Certificates bearing interest on a current basis may request in writing to the Paying Agent that such Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of any Record Date.

Payments of Principal, Maturity Value, Conversion Value and redemption premiums, if any, with respect to the Bonds shall be payable at maturity or redemption upon surrender at the principal office of the Paying Agent. The Paying Agent is hereby authorized to pay the Bonds when duly presented for payment at maturity or redemption, and to cancel all Bonds which have matured or been redeemed upon payment thereof.

No current interest shall be payable to an Owner of a Capital Appreciation Bond; however, during the period Capital Appreciation Bonds are outstanding, interest will accrete on the Capital Appreciation Bonds to an amount equal to the Maturity Value. No payment of interest will be made to the Owner of the Convertible Capital Appreciation Bonds on the Conversion Date. Interest shall be paid on the first Bond Payment Date after the Conversion Date based upon the Conversion Value of the Convertible Capital Appreciation Bonds on the Conversion Date.

The Bonds are general obligation bonds of the District and do not constitute an obligation of the County except as expressly provided in this Resolution. No part of any fund of the County is pledged or obligated to the payment of the Bonds.

Section 11. Bond Registration and Transfer. So long as any of the Bonds remain Outstanding, the District will cause the Paying Agent to maintain and keep at its principal office all books and records necessary for the registration, exchange and transfer of the Bonds as provided in this Section which shall constitute the Bond Register.

Subject to the provisions of Section 13 below, the person in whose name a Bond is registered on the Bond Register shall be regarded as the absolute owner of that Bond for all purposes of this Resolution. Payment of or on account of the Principal of and interest on any Bond shall be made only to or upon the order of that person; neither the District, the County nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the District's liability upon the Bonds, including interest, to the extent of the amount or amounts so paid.

Any Bond may be exchanged for Bonds of like series, tenor, maturity and Transfer Amount upon presentation and surrender at the office of the Paying Agent designated for such purpose, together with a request for exchange signed by the registered Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. The Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates shall be transferred as provided in the Tax Credits Separation Certificate. A Bond may be transferred only on the Bond Register by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the office of the Paying Agent designated for such purpose, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed. Upon exchange or transfer, the Paying Agent shall register, authenticate and deliver a new Bond or Bonds of like series, tenor and of any authorized denomination or denominations requested by the Owner equal to the Transfer Amount of the Bond surrendered and bearing or accreting interest at the same rate and maturing on the same date. Capital Appreciation Bonds, Convertible Capital Appreciation Bonds, Current Interest Bonds, Qualified School Construction Bonds and Interest Bearing Bonds may not be exchanged for one another.

If manual signatures on behalf of the County are required, the Paying Agent shall undertake the exchange or transfer of Bonds only after the new Bonds are signed by the authorized officers of the County. In all cases of exchanged or transferred Bonds, the County shall sign and the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Resolution. All fees and costs of transfer shall be paid by the transferor. Those charges may be required to be paid before the procedure is begun for the exchange or transfer. All Bonds issued upon any exchange or transfer shall be valid obligations of the District, evidencing the same debt, and entitled to the same security and benefit under this Resolution as the Bonds surrendered upon that exchange or transfer.

Any Bond surrendered to the Paying Agent for payment, retirement, exchange, replacement or transfer shall be cancelled by the Paying Agent. The District and the County may at any time deliver to the Paying Agent for cancellation any previously authenticated and delivered Bonds that the District and the County may have acquired in any manner whatsoever, and those Bonds shall be promptly cancelled by the Paying Agent. Written reports of the surrender and cancellation of Bonds shall be made to the District and the County by the Paying Agent at least twice each calendar year, if requested. The cancelled Bonds shall be retained for a period of time and then returned to the District or destroyed by the Paying Agent as directed by the District.

Neither the District, the County nor the Paying Agent will be required (a) to issue or transfer any Bonds during a period beginning with the opening of business on the 15th business day next preceding either any Bond Payment Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Bond Payment Date or day on which the applicable notice of redemption is given or (b) to transfer any Bonds which have been selected or called for redemption in whole or in part.

If any Bond, Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate shall become mutilated, the County and the District, as applicable, at the expense of the Owner of said Bond, Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond, Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate, as applicable, of like tenor in exchange and substitution for the Bond, Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate, as applicable, so mutilated, but only upon surrender to the Paying Agent of the Bond, Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate so mutilated. Every mutilated Bond, Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate so surrendered to the Paying Agent shall be canceled by it and delivered to, or upon the order of, the District. If any Bond, Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Paying Agent and, if such evidence and indemnity satisfactory to the Paying Agent, the District and the County shall be given, the County and the District, as applicable, at the expense of the Owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond, Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate, as applicable, of like tenor in lieu of and in replacement for the Bond, Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate so lost, destroyed or stolen (or if any such Bond, Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate shall have matured or shall have been selected for redemption, instead of issuing a replacement Bond, Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate, as applicable, the Paying Agent may pay the same without surrender thereof). The District may require payment by the Owner of a sum not exceeding the actual cost of preparing each replacement Bond, Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate issued under this Section and of the expenses which may be incurred by the County, the District and the Paying Agent. Any Bond, Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate issued under the provisions of this Section in lieu of any Bond, Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate alleged to be lost, destroyed or stolen shall constitute a valid contractual obligation on the part of the County and the District whether or not the Bond, Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits of this County Resolution and the Tax Credits Separation Certificate, if applicable, with all other Bonds, Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates secured by this County Resolution.

Section 12. Redemption and Tender.

(a) Terms of Redemption and Tender. The Bonds shall be subject to redemption prior to maturity as provided in the applicable Purchase Contract for such Bonds. A Purchase Contract may provide that the Bonds issued thereunder shall not be subject to optional redemption, and may provide separate and distinct redemption provisions for the Current Interest Bonds, Capital Appreciation Bonds and Convertible Capital Appreciation Bonds.

The Qualified School Construction Bonds may be subject to mandatory tender for purchase prior to maturity as set forth in the related Purchase Contract and the Tax Credits Separation Certificate, subject to the requirements of the Tax Credit Program. The Auditor-Controller of the County is hereby authorized to create such bond purchase funds or accounts for the tendered Qualified School Construction Bonds as shall be necessary to accomplish the purposes of this Section.

The Bonds, if any, which are designated in the related Purchase Contract as Term Bonds, with appropriate series designation, shall be subject to redemption prior to their stated maturity dates, without a redemption premium, in part by lot, from mandatory sinking fund payments in the amounts and in accordance with the terms to be specified in the related Purchase Contract. The principal amount of each mandatory sinking fund payment of any maturity shall be reduced proportionately by the amount of any Bonds of that maturity optionally redeemed prior to the mandatory sinking fund payment date and allocated by the District to such sinking fund payment, or as otherwise directed by the District. The Purchase Contract may provide that some or all of the Bonds shall not be subject to mandatory sinking fund redemption.

The Auditor-Controller of the County is hereby authorized to create such sinking funds or accounts for the Term Bonds as shall be necessary to accomplish the purposes of this Section.

(b) Selection of Bonds for Redemption. Whenever provision is made in this Resolution and the related Purchase Contract for the redemption of Bonds and less than all Outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from an Authorized Representative of the District, shall select Bonds for redemption from such maturity or maturities in accordance with such written instructions. Within a maturity, the Paying Agent shall select Bonds for redemption in such manner as directed by the District or if not so directed then by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that the portion of any Current Interest Bond to be redeemed in part shall be in the Principal Amount of \$5,000 or any integral multiple thereof, the portion of any Convertible Capital Appreciation Bond to be redeemed in part shall be in integral multiples of the Accreted Value per \$5,000 Conversion Value of such Convertible Capital Appreciation Bond, and the portion of any Capital Appreciation Bond to be redeemed in part shall be in integral multiples of the Accreted Value per \$5,000 Maturity Value of such Capital Appreciation Bond, and the portion of any Qualified School Construction Bond to be redeemed shall be in an Authorized Denomination or integral multiple thereof.

(c) Notice of Redemption. When redemption is to be made pursuant to Section 12(a) hereof, the Paying Agent shall give notice (a "Redemption Notice") of the redemption of the Bonds by first class mail, postage prepaid to each Owner of the Bonds at the addresses appearing on the Bond Register at least 30 but not more than 60 days prior to the Redemption Date. Such Redemption Notice shall specify: (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the Principal Amount or Accreted Value, as applicable, of such Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified Redemption Date there shall become due and payable upon each Bond or portion thereof being redeemed the Principal Amount thereof and applicable premium, if any, together with the interest accreted to the Redemption Date in the case of the Convertible Capital Appreciation Bonds and the Capital Appreciation Bonds, and that from and after such Redemption Date, interest with respect thereto shall cease to accrue or accrete in value.

In case of the redemption as permitted herein of all the Bonds of any one maturity then Outstanding, notice of redemption shall be given by mailing as herein provided, except that the Redemption Notice need not specify the serial numbers of the Bonds of such maturity.

Any Redemption Notice for an optional redemption of the Bonds delivered in accordance with this Section 12(c) may be conditional, and, if any condition stated in the Redemption Notice shall not have been satisfied on or prior to the redemption date: (i) the Redemption Notice shall be of no force and effect, (ii) the District shall not be required to redeem such Bonds, (iii) the redemption shall not be made, and (iv) the Paying Agent shall within a reasonable time thereafter give notice to the persons in the manner in which the conditional Redemption Notice was given that such condition or conditions were not met and that the redemption was canceled.

Neither failure to receive nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Bonds.

(d) Additional Notice. In addition to the Redemption Notice given pursuant to Section 12(c), further notice shall be given by the Paying Agent as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. Each further notice of redemption shall be sent at least thirty (30) days before the Redemption Date by registered or certified mail or overnight delivery service to each of the Securities Depositories which are then in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more of the Informational Services that disseminate notice of redemption of obligations similar to the Bonds or, in accordance with the then-current guidelines of the Securities and Exchange Commission, such other securities depositories and services providing information on called bonds, or such securities depositories and services, as the District may designate in a certificate delivered to the Paying Agent.

(e) CUSIP Numbers. Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(f) Payment of Redeemed Bonds. When notice of redemption has been given substantially as provided for herein, and, when the amount necessary for the redemption of the Bonds called for redemption is set aside for that purpose in the Debt Service Fund, as provided herein, the Bonds designated for redemption shall become due and payable on the date fixed for redemption thereof and upon presentation and surrender of said Bonds at the place specified in the notice of redemption with the form of assignment endorsed thereon executed in blank, said Bonds shall be redeemed and paid at the redemption price out of the Debt Service Fund.

(g) Partial Redemption of Bonds. Upon the surrender of any Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new Bond or Bonds of like series, tenor and maturity and of authorized denominations equal in Transfer Amount to the unredeemed portion of the Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the County and the District shall be released and discharged thereupon from all liability to the extent of such payment.

(h) Effect of Notice of Redemption. If on such Redemption Date, money for the redemption of the Bonds to be redeemed as provided in Section 12 hereof, together with interest to such Redemption Date, shall be held by the Paying Agent so as to be available therefor on such Redemption Date, and if notice of redemption thereof shall have been given as aforesaid, then from and after such Redemption Date, interest with respect to the Bonds to be redeemed shall cease to accrue or accrete and become payable.

(i) Bonds No Longer Outstanding. When any Bonds (or portions thereof), which have been duly called for redemption prior to maturity under the provisions of this Resolution, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest Redemption Date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys shall be held by the Paying Agent irrevocably in trust for the payment of the redemption price of such Bonds or portions thereof, and, in the case of Bonds then bearing interest on a current basis, accrued interest with respect thereto to the date fixed for redemption, all as provided in this Resolution, then such Bonds shall no longer be deemed Outstanding and shall be surrendered to the Paying Agent for cancellation.

Section 13. Book-Entry System.

(a) The Bonds shall be initially executed and delivered in the form of a single, fully registered Bond for each maturity in each series (which may be typewritten). Upon initial execution and delivery, as provided for herein, the ownership of such Bond shall be registered in the Bond Register in the name of the Depository or its nominee (the "Nominee"), and its successors and assigns. Except as hereinafter provided, all of the outstanding Bonds shall be registered in the Bond Register in the name of the Nominee of the Depository, which may be the Depository, as determined from time to time pursuant to this Section. Each Bond certificate shall bear a legend substantially to the following effect: "UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE RESOLUTION) TO THE BOND REGISTRAR FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

With respect to the Bonds registered in the Bond Register in the name of the Nominee, neither the District, the County nor the Paying Agent shall have any responsibility or obligation to any broker-dealers, banks and other financial institutions from time to time for which the Depository holds Bonds as securities depository (the "Participant") or to any person on behalf of which such a Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, neither the District, the County nor the Paying Agent shall have any responsibility or obligation (unless the District is at such time the Depository) with respect to (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person, other than an Owner of a Bond as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, (iii) the selection by the Depository and its Participants of the beneficial interests in the Bonds to be redeemed in the event the District redeems the Bonds in part, or (iv) the payment to any

Participant or any other person, other than an Owner of a Bond as shown in the Bond Register, of any amount with respect to Accreted Value, Principal of or interest on the Bonds. The District and the Paying Agent may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute Owner of such Bond for the purpose of the payment of Accreted Value, Principal and interest with respect to such Bond, for the purpose of giving notices of redemption, if applicable, and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent shall pay all Accreted Value, Principal of and interest on the Bonds only to or upon the order of the respective Owner of the Bond, as shown in the Bond Register, or his respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of Accreted Value, Principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner of a Bond, as shown in the Bond Register, shall receive a Bond evidencing the obligation of the District to make payments of Accreted Value, Principal and interest. Upon delivery by the Depository to the Owners of the Bonds, and the District of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to Record Dates, the word Nominee in this Resolution shall refer to such nominee of the Depository.

(b) In order to qualify the Bonds for the Depository's book-entry system, the District has executed and delivered to the Depository a Representation Letter. The execution and delivery of the Representation Letter shall not in any way limit the provisions of this Section or in any other way impose upon the District any obligation whatsoever with respect to persons having interests in the Bonds other than the owners of the Bonds, as shown on the Bond Register. In addition, to the execution and delivery of the Representation Letter, the District shall take such other actions, not inconsistent with this Resolution, as are reasonably necessary to qualify the Bonds for the Depository's book-entry program.

(c) If at any time the Depository notifies the County and the District that it is unwilling or unable to continue as Depository with respect to the Bonds or if at any time the Depository shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor Depository is not appointed by the Treasurer within 90 days after the County and the District receive notice or become aware of such condition, as the case may be, subsection (a) hereof shall no longer be applicable and the Treasurer shall issue bonds representing the Bonds as provided below. In addition, the County and the District may determine at any time that the Bonds shall no longer be represented by book-entry securities and that the provisions of subsection (a) hereof shall no longer apply to the Bonds. In any such event, the Treasurer shall execute and deliver certificates representing the Bonds as provided below. Bonds issued in exchange for book-entry securities pursuant to this subsection (c) shall be registered in such names and delivered in such denominations as the Depository shall instruct the County and the District. The Treasurer shall deliver such bonds representing the Bonds to the persons in whose names such Bonds are so registered.

If the County and the District determine to replace the Depository with another qualified securities depository, the County and the District shall prepare or cause to be prepared new fully-registered book-entry securities for each of the maturities of the Bonds, registered in the name of such successor or substitute securities depository or its nominee, or make such other arrangements as are acceptable to the County, the District and such securities depository and not inconsistent with the terms of this Resolution.

Notwithstanding any other provisions of this Resolution to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to Principal of, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in the Representation Letter or as otherwise instructed by the Depository and acceptable to the District.

(d) The initial Depository under this Section shall be The Depository Trust Company, New York, New York ("DTC"). The initial Nominee shall be Cede & Co., as Nominee of DTC.

Section 14. Forms of Bonds. The Bonds shall be in substantially the forms as shown in Exhibits C, D and E hereto; provided, however, that those officials executing the Bonds are hereby authorized to make the insertions and deletions necessary to conform the Bonds to this Resolution, the applicable Purchase Contract and to correct any defect or inconsistent provision therein or to cure any ambiguity or omission therein.

Section 15. Deposit of Proceeds of Bonds; Creation of Funds.

(a) Following the sale of a series of Bonds, the proper officials of the County shall cause the related Bonds to be prepared, signed and delivered to DTC for credit to the account of the Underwriter for such series upon payment by the Underwriter of the purchase price of such Bonds in immediately available funds.

(b) The proceeds from the sale of the Bonds, to the extent of the Principal amount thereof payable to the County under the terms of the Purchase Contract, shall be paid to the County to the credit of the fund hereby created and established and to be known as the "Little Lake City School District Election of 2000 General Obligation Bonds Building Fund" (the "Building Fund") of the District, which shall be kept separate and distinct from all other District and County funds. Such proceeds shall be used solely for the purpose for which the Bonds are being issued and shall be applied solely to authorized purposes which relate to the Projects. Any amounts that remain in the Building Fund at the completion of the Projects, at the written direction of an Authorized Representative of the District, shall be transferred to the Debt Service Fund to be used to pay the Principal of, premium, if any, and interest on the Bonds, subject to any conditions set forth in any Tax Certificate.

(c) All premium received by the County from the sale of the Bonds, if any, and any accrued interest on the Bonds shall be kept separate and apart in the fund hereby created and established and to be designated as the "Little Lake City School District Election of 2000 General Obligation Bonds Debt Service Fund" (the "Debt Service Fund") for the Bonds. Amounts in the Debt Service Fund shall be used only for payments of Principal, premium, if any, and interest, including Accreted Interest, on the Bonds on each Bond Payment Date and Redemption Date. All ad valorem taxes levied for the purposes described in Section 16 hereof shall be deposited upon collection by the County into the Debt Service Fund and used for the payment of the Principal of, premium, if any, and interest, including Accreted Interest, on the Bonds on each Bond Payment Date and Redemption Date. On each Bond Payment Date and Redemption Date, the District shall transfer or cause to be transferred from the Debt Service Fund to the Paying Agent, an amount, in immediately available funds, sufficient to pay all the Principal of, premium, if any, and interest, including Accreted Interest, on the Bonds (collectively, the "Debt Service") on such Bond Payment Date or Redemption Date, as applicable. Debt Service on the Bonds shall be paid by the Paying

Agent in the manner provided by law for the payment of Debt Service. If, after payment in full of the Bonds, there remain excess proceeds in the Debt Service Fund, any such excess amounts shall be transferred to the General Fund of the District.

(d) The District shall establish a special fund designated "Little Lake City School District Election of 2000 General Obligation Bonds Rebate Fund" which shall be administered by the County Office of Education for the account of the District and which shall be kept separate and apart from all other funds and accounts held hereunder. The District shall deposit, or cause to be deposited, moneys to the Rebate Fund in accordance with the provisions of the Tax Certificate. Amounts on deposit in the Rebate Fund shall only be applied to payments made to the United States or otherwise transferred to other accounts or funds established hereunder in accordance with the Tax Certificate.

(e) On behalf of the Treasurer and as part of the County treasury, the Paying Agent may establish and maintain one or more separate accounts designated as the "Little Lake City School District Election of 2000 General Obligation Bonds, Series D-1 Qualified School Construction Bonds (Tax Credit Bonds) Sinking Fund Deposit Account" (each, a "Qualified School Construction Bond Sinking Fund Deposit Account") which shall constitute an account of the Debt Service Fund for the Qualified School Construction Bonds and Interest Bearing Bonds, if any. In addition, the Paying Agent may establish and maintain any other account for tendered Qualified School Construction Bonds and Interest Bearing Bonds, if any, as may be necessary or desirable in connection with the provisions of this County Resolution, the District Resolution and the Tax Credits Separation Certificate. Upon the payment and discharge of the Qualified School Construction Bonds and Interest Bearing Bonds, if any, any amounts remaining in the Qualified School Construction Bond Sinking Fund Deposit Account shall be transferred by the Paying Agent to the County and the Qualified School Construction Bond Sinking Fund Deposit Account shall be closed.

(f) Interest earned on the investment of monies held in the Debt Service Fund shall be retained in the Debt Service Fund, interest earned on the investment of monies held in the Building Fund shall be retained in the Building Fund and interest earned in the investments in the Rebate Fund shall be retained in the Rebate Fund.

(g) If at any time it is deemed necessary or desirable by the District, upon the written direction of an Authorized Representative of the District, the County may establish additional funds under this Resolution and/or accounts within any of the funds or accounts established hereunder.

Section 16. Security for the Bonds; Tax Levy. There shall be levied on all the taxable property in the District, in addition to all other taxes, a continuing direct *ad valorem* tax annually during the period the Bonds are Outstanding in an amount sufficient, together with moneys on deposit in the Debt Service Fund available for such purpose, to pay the Principal of, premium, if any, and interest, including Accreted Interest, on the Bonds when due. The Board shall levy *ad valorem* taxes for the payment of the Bonds (and set-aside requirements on the Qualified School Construction Bonds and Interest Bearing Bonds, if any, as applicable) on all property in the District subject to taxation by the County without limitation as to rate or amount (except certain personal property which is taxable at limited rates). The taxes collected for the Bonds will be placed in the Debt Service Fund of the District, which taxes, together with the amounts on deposit in the Debt Service Fund, are irrevocably pledged for the payment of the Principal of, premium, if any, and interest, including Accreted Interest, on the Bonds when and as due. The Bonds are the general obligation

bonds of the District and do not constitute an obligation of the County except as expressly provided in this Resolution. No part of any fund or account of the County is pledged or obligated to the payment of the Bonds or the interest thereon.

Section 17. Defeasance. The Bonds other than Qualified School Construction Bonds except to the extent set forth in the Tax Credits Separation Certificate may be defeased, in whole, prior to maturity in the following ways:

(a) by well and truly paying or causing to be paid the Principal, Accreted Value, premium, if any, and interest on all Bonds Outstanding, and when the same become due and payable;

(b) by irrevocably depositing with a bank or trust company in escrow an amount of cash which together with amounts then on deposit in the Debt Service Fund, is sufficient to pay all Bonds Outstanding, including all Principal, premium, if any, Accreted Value and interest; or

(c) by irrevocably depositing with a bank or trust company in escrow noncallable United States Obligations (defined below), together with cash, if required, in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon and moneys then on deposit in the Debt Service Fund together with the interest to accrue thereon, be fully sufficient to pay and discharge all the Bonds Outstanding, including all Principal, premium, if any, Accreted Value and interest due with respect thereto at or before their maturity date or applicable redemption date;

then, notwithstanding that any Bonds shall not have been surrendered for payment, all obligations of the District, the County and the Paying Agent with respect to all Outstanding Bonds shall cease and terminate, except only the obligation of the County and the Paying Agent to pay or cause to be paid from funds deposited pursuant to paragraphs (a), (b) or (c) of this Section, to the owners of the Bonds not so surrendered and paid, all sums due with respect thereto and the obligations of the District with respect to the Rebate Fund in accordance with Section 15 hereof.

For purposes of this Section and Section 17, United States Obligations shall mean:

Direct and general obligations of the United States of America, or obligations that are unconditionally guaranteed as to principal and interest by the United States of America, including (in the case of direct and general obligations of the United States of America) evidence of direct ownership or proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances wherein (a) a bank or trust company acts as custodian and holds the underlying United States Obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States Obligations; and (c) the underlying United States Obligations are held in a special account, segregated from the custodian's general assets, and are not available to satisfy any claims of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that such obligations are rated "AAA" by Standard & Poor's and "Aaa" by Moody's Investors Service.

Section 18. Partial Defeasance. Any portion of the Outstanding maturities of a series of the Bonds may be defeased prior to maturity in the following ways:

(a) by irrevocably depositing with the County, or a bank or trust company appointed by the County, in escrow, an amount of cash which, together with amounts then on deposit in the Debt Service Fund, is sufficient to pay the designated Outstanding maturities of Bonds, including all Principal, Accreted Value, interest and premium, if any; or

(b) by irrevocably depositing with the County, or a bank or trust company appointed by the County, in escrow, noncallable United States Obligations, together with cash, if required, in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon, be fully sufficient to pay and discharge the designated Outstanding maturities of Bonds (including all Principal, Accreted Value, interest and premium, if any, at or before their maturity date);

then, notwithstanding that any of such designated maturities of Bonds shall not have been surrendered for payment, all obligations of the District and the County with respect to such Outstanding maturities of Bonds shall cease and terminate, except only the obligation of the County and the Paying Agent to pay or cause to be paid from funds deposited pursuant to paragraphs (a) or (b) of this Section, to the Owners of the Bonds of such maturities defeased and not so surrendered and paid, all sums due with respect thereto.

For purposes of this Section, United States Obligations shall have the same meaning as set forth in Section 17 hereof.

Section 19. Continuing Disclosure. The District has covenanted and agreed that it will comply with and carry out all of the provisions of each Continuing Disclosure Certificate. Any Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under a Continuing Disclosure Certificate. The failure of the District to comply with a Continuing Disclosure Certificate shall not constitute a default hereunder nor shall any Owner be permitted to monetary damages for failure of the District to comply.

Section 20. Tax Covenants of the District.

(a) The District has covenanted for and on behalf of the Owners that it shall not take any action, or fail to take any action if such action or failure to take such action would adversely affect the exclusion from gross income for federal income tax purposes of the interest payable on the Tax-Exempt Bonds.

(b) The County acknowledges and relies upon the fact that the District has represented and covenanted that it shall not take any action, or fail to take any action, or permit such action to be taken on its behalf or cause or permit any circumstances within its control to arise or continue, if such action or failure to take such action would adversely affect either the status of the Qualified School Construction Bonds under Section 54F of the Code or the credit allowed under Section 54A of the Code.

Section 21. Arbitrage Covenant. The District has covenanted for and on behalf of the Owners that it will restrict the use of the proceeds of the Tax-Exempt Bonds in such manner and to

such extent, if any, as may be necessary, so that the Tax-Exempt Bonds will not constitute arbitrage bonds under Section 148 of the Code and the applicable regulations prescribed under that section or any predecessor section. Calculations for determining arbitrage requirements are the sole responsibility of the District.

Section 22. Conditions Precedent. This Board determines that all acts and conditions necessary to be performed by the Board or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligation bonds of the District have been performed and have been met, or will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law.

Section 23. Tax Credits Separation Certificate. The form of Tax Credits Separation Certificate submitted to and on file with the Clerk of this Board of Supervisors providing for the execution, authentication and delivery of the Tax Credit Certificates is hereby approved. Any Authorized County Officer is hereby authorized and directed on behalf of the County to execute and deliver one or more Tax Credits Separation Certificate with respect to the Qualified School Construction Bonds in substantially the form on file, with such changes therein, including as may be made in connection with the issuance or sale of separate tax credits associated with certain Qualified School Construction Bonds, as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 24. Official Statement. The District has agreed to cause a Preliminary Official Statement and a final Official Statement meeting the requirements of Securities and Exchange Commission Rule 15c2-12 ("Rule 15c2-12") to be prepared for each series of Bonds for which an Official Statement is required under the Rule. Such Preliminary Official Statement and Official Statement shall be referred to as the "Official Statement," and will be substantially in the form of the Preliminary Official Statement to be approved by the Board of Education of the District, together with such changes as the District deems necessary to make such Official Statement accurate as of its date.

Section 25. Approval of Actions. Officers of the Board and County officials and staff are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution, including the execution of any documents required by a Bond Insurer as a precondition to obtaining bond insurance if purchased by the District. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

Section 26. Supplemental Resolutions. This Resolution, and the rights and obligations of the County, the District and of the Owners of the Bonds issued hereunder, may be modified or amended at any time by a Supplemental Resolution adopted by the County with the written consent of Owners owning at least 60% in aggregate Bond Obligation of the Outstanding Bonds, exclusive of Bonds, if any, owned by the County or the District; provided, however, that no such modification or amendment shall, without the express consent of the Owner of each Bond affected, reduce the Principal Amount of any Bond, reduce the interest rate payable thereon, advance the earliest redemption date thereof, extend its maturity or the times for paying interest thereon or change the monetary medium in which Principal and interest is payable, nor shall any modification or amendment reduce the percentage of consents required for amendment or modification. No such Supplemental Resolution shall change or modify any of the rights or obligations of any Paying Agent

without its written assent thereto. Notwithstanding anything herein to the contrary, no such consent shall be required by the Owners of a series of Bonds if the Owners of such series are not directly and adversely affected by such amendment or modification and such modification or amendment may be adopted with the approval of not less than 60% in aggregate Bond Obligation of the affected series of Bonds.

(a) This Resolution, and the rights and obligations of the County, the District and of the Owners of the Bonds issued hereunder, may be modified or amended at any time by a Supplemental Resolution adopted by the County without the written consent of the Owners for any of the following reasons;

(i) To add to the covenants and agreements of the County in this Resolution, other covenants and agreements to be observed by the County which are not contrary to or inconsistent with this Resolution as theretofore in effect;

(ii) To add to the limitations and restrictions in this Resolution, other limitations and restrictions to be observed by the County which are not contrary to or inconsistent with this Resolution as theretofore in effect;

(iii) To confirm as further assurance any pledge under, and the subjection to any lien or pledge created or to be created by, this Resolution, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under this Resolution;

(iv) To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in this Resolution; or

(v) To amend or supplement this Resolution in any other respect, provided such Supplemental Resolution does not adversely affect the interests of the Owners.

(b) Any act done pursuant to a modification or amendment so consented to shall be binding upon the Owners of all the affected series of Bonds and shall not be deemed an infringement of any of the provisions of this Resolution, whatever the character of such act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this Resolution, and after consent relating to such specified matters has been given, no Owner shall have any right or interest to object to such action or in any manner to question the propriety thereof or to enjoin or restrain the County or the District or any officer or agent of either from taking any action pursuant thereto.

Section 27. Insurance. In the event the District purchases bond insurance for a Bond, and to the extent that the Bond Insurer makes payment of the Principal, Accreted Value or interest on such Bond, it shall become the owner of such Bond, with the right to payment of Principal, Accreted Value or interest on such Bond, and shall be fully subrogated to all of the Owner's rights, including the Owner's rights to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims that were past due interest, the Paying Agent shall note the Bond Insurer's rights as subrogee on the registration books for such Bond maintained by the Paying Agent upon receipt of a copy of the cancelled check issued by the Bond Insurer or other evidence satisfactory to the Paying Agent for the payment of such interest to the Owner of such Bond, and (ii) in the case of subrogation as to claims for past due Principal, Accreted Value or interest, the Paying Agent shall note the Bond Insurer as subrogee on the registration books for such Bond maintained by the Paying Agent upon

surrender of such Bond by the Owner thereof to the Bond Insurer or the insurance trustee for the Bond Insurer. The Paying Agent shall request payment pursuant to the terms of any bond insurance policy to the extent required to pay the Principal of and interest on any insured Bond when due if amounts on deposit in the Debt Service Fund are not adequate for that purpose.

Section 28. Notices. All notices or communications herein required or permitted to be given to any party shall be given to each of the following parties and shall be given in writing and shall be deemed to have been sufficiently given or served for all purposes by being delivered or sent by telecopier or by being deposited, postage prepaid, in a post office letter box, to the addresses set forth below, or to such other address as may be provided to the other parties hereinafter listed in writing from time to time, namely:

If to the County: County of Los Angeles
500 West Temple Street, Room 432
Los Angeles, California 90012
Attention: Treasurer-Tax Collector, Office of Public Finance

If to the Paying Agent: U.S. Bank National Association
633 West Fifth Street, 24th Floor
Los Angeles, California 90017
Attention: Corporate Trust Services

If to the District: Little Lake City School District
10515 S. Pioneer Blvd.
Santa Fe Springs, California 90670
Attention: Superintendent

Section 29. Unclaimed Moneys. Anything in this Resolution to the contrary notwithstanding, any moneys held by the County or the Paying Agent in trust for the payment and discharge of any of the Bonds which remain unclaimed for one (1) year after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the County or the Paying Agent at such date, or for one (1) year after the date of deposit of such moneys if deposited with the County or the Paying Agent after said date when such Bonds become due and payable, shall be repaid by the County or the Paying Agent, as applicable, to the District, as its absolute property and free from trust, and the County and the Paying Agent shall thereupon be released and discharged with respect thereto and the Bond Owners shall look only to the District for the payment of such Bonds; provided, however, that before being required to make such payment to the District, the Paying Agent shall, at the expense of District, cause to be mailed to the Owners of all such Bonds, at their respective addresses appearing on the registration books, a notice that said moneys remain unclaimed and that, after a date in said notice, which date shall not be less than thirty (30) days after the date of mailing such notice, the balance of such moneys then unclaimed will be returned to the District.

Section 30. Permitted Investments.

(a) All amounts held in the funds and accounts established hereunder shall be invested by the Treasurer in any instrument which is a lawful investment for funds of the District, including the Treasurer's Pooled Investment Fund, the Local Agency Investment Fund, any investment authorized pursuant to Sections 53601 and 53635 of the Government Code, or in

investment agreements, including guaranteed investment contracts, float contracts or other investment products (provided that such agreements comply with the requirements of Section 148 of the Code, and with the requirements of each rating agency then rating the Bonds necessary in order to maintain the then-current rating on the Bonds). Unless otherwise instructed by an Authorized Representative of the District in writing, amounts held hereunder shall be invested in the Treasurer's Pooled Investment Fund. If invested in other than the Treasurer's Pooled Investment Fund, amounts in the Debt Service Fund shall be invested in investments maturing not later than the date on which such amounts will be needed to pay the Principal of and interest on the Bonds. Nothing in this Resolution shall prevent any investment securities acquired as investments of funds held hereunder from being issued or held in book-entry form on the books of the Department of the Treasury of the United States.

(b) Obligations purchased as an investment of moneys in any fund or account shall be deemed at all times to be a part of such fund or account. Profits or losses attributable to any fund or account shall be credited or charged to such fund or account. In computing the amount in any fund or account created under the provisions of this Resolution for any purpose provided in this Resolution, obligations purchased as an investment of moneys therein shall be valued at cost, plus, where applicable, accrued interest.

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Section 31. Effective Date. This Resolution shall take effect immediately upon its passage.

The foregoing resolution was adopted on November ⁴10, 2009 by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which the Board so acts.



SACHI A. HAMAI,
Executive Officer-Clerk of the Board of Supervisors
of the County of Los Angeles

By: Lachelle Smitheman
Deputy

APPROVED AS TO FORM:

ROBERT E. KALUNIAN,
Acting County Counsel

By: Jimmy D. Park
Principal Deputy County Counsel

EXHIBIT A
[ADOPTED DISTRICT RESOLUTION]

**LITTLE LAKE CITY SCHOOL DISTRICT
RESOLUTION NO. 10-017**

A RESOLUTION OF THE BOARD OF EDUCATION OF THE LITTLE LAKE CITY SCHOOL DISTRICT, LOS ANGELES COUNTY, CALIFORNIA, AUTHORIZING THE ISSUANCE OF LITTLE LAKE CITY SCHOOL DISTRICT, LOS ANGELES COUNTY, CALIFORNIA ELECTION OF 2000 GENERAL OBLIGATION BONDS, SERIES D.

WHEREAS, a duly called election was held in the Little Lake City School District (the "District"), Los Angeles County (the "County"), State of California, on March 7, 2000 (the "Election") and thereafter canvassed pursuant to law;

WHEREAS, at such election there was submitted to and approved by the requisite two-thirds vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum amount of \$34,000,000, payable from the levy of an ad valorem tax against the taxable property in the District (the "Authorization");

WHEREAS, on July 12, 2000, the Board of Supervisors of the County issued in the name of the District \$9,000,000 aggregate principal amount of a first series of bonds under the Authorization styled as the "Little Lake City School District (Los Angeles County, California) Election of 2000 General Obligations Bonds, Series A" (the "Series A Bonds");

WHEREAS, on July 17, 2002, the Board of Supervisors of the County issued in the name of the District \$7,000,000 aggregate principal amount of a second series of bonds under the Authorization styled as the "Little Lake City School District (Los Angeles County, California) Election of 2000 General Obligations Bonds, Series B" (the "Series B Bonds");

WHEREAS, on February 28, 2006, the Board of Supervisors of the County issued in the name of the District \$9,000,000 aggregate principal amount of a third series of bonds under the Authorization styled as the "Little Lake City School District (Los Angeles County, California) Election of 2000 General Obligations Bonds, Series C" (the "Series C Bonds");

WHEREAS, at this time this Board of Education (the "Board") has determined that it is necessary and desirable to request the Board of Supervisors of the County to issue a fourth series of such bonds in an aggregate principal amount not to exceed \$9,000,000 to be styled as the "Little Lake City School District (Los Angeles County, California) Election of 2000 General Obligations Bonds, Series D" (the "Bonds") on behalf of the District;

WHEREAS, this Board desires to authorize the issuance of the Bonds in one or more series of taxable or tax-exempt bonds, and further as any combination of current interest bonds, capital appreciation bonds, or convertible capital appreciation bonds;

WHEREAS, the American Reinvestment and Recovery Act of 2009 ("ARRA") grants a national allocation of \$11 billion to provide for the issuance of qualified school construction tax credit bonds ("QSC Bonds") to provide financing for the construction, reconstruction and repair of

WHEREAS, this Board has adopted a resolution authorizing District officials to submit an application requesting that a portion of said national allocation be granted to the District (the "District Allocation");

WHEREAS, the District received a District Allocation in the amount of \$9,000,000 at the lottery held by the California Department of Education on August 25, 2009;

WHEREAS, this Board desires to authorize the issuance of all or a portion of the Bonds as QSC Bonds;

WHEREAS, the County Board shall issue the Bonds on behalf of the District pursuant to Chapter 1 of Part 10 of Division 1 of title 1 (commencing with Section 15100 *et seq.*) of the California Education Code;

WHEREAS, pursuant to Section 265 of the Internal Revenue Code of 1986, as amended (the "Code"), under certain circumstances, certain obligations the interest on which is excluded from gross income for federal income tax purposes under Section 103 of the Code may be designated by the issuer thereof as "qualified tax-exempt obligations," thereby allowing certain financial institutions that are holders of such qualified tax-exempt obligations to deduct for federal income tax purposes a portion of such institution's interest expense that is allocable to such qualified tax-exempt obligations, all as determined in accordance with Sections 265 and 291 of the Code;

WHEREAS, this Board wishes to designate the tax-exempt portion of the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code;

WHEREAS, this Board desires to appoint certain professionals to provide services related to the issuance of the Bonds; and

WHEREAS, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation bonds of the District, and the indebtedness of the District, including this proposed issue of Bonds, is within all limits prescribed by law;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE LITTLE LAKE CITY SCHOOL DISTRICT AS FOLLOWS:

SECTION 1. Purpose; Authorization. That in order to raise money for the purposes authorized by voters of the District at the Election and to pay all necessary legal, financial and contingent costs in connection with the issuance of the Bonds, this Board hereby petitions the County Board to authorize the issuance of the Bonds and to order such Bonds sold at a negotiated sale, such that the Bonds shall be dated as of a date to be determined by said County Board, shall bear interest at a rate not to exceed that authorized at the Election, and shall be payable upon such terms and provisions as shall be set forth in the Bonds, and shall be in an aggregate principal amount not to exceed \$9,000,000.

This Board hereby authorizes the issuance of the Bonds as any combination of current interest bonds, capital appreciation bonds, and convertible capital appreciation bonds as set forth in the fully-executed Purchase Contract (defined herein), subject to the provisions of a resolution of the County Board relating to the Bonds (the "County Resolution").

This Board further authorizes the issuance of all or a portion of the Bonds as QSC Bonds.

SECTION 2. Paying Agent. This Board does hereby authorize the appointment of the Treasurer and Tax Collector of Los Angeles County as the authenticating agent, bond registrar, transfer agent and paying agent (collectively, the "Paying Agent") for the Bonds. The Treasurer is authorized to contract with any third party to perform the services of Paying Agent under this Resolution. The District acknowledges that ongoing expenses and fees of the Paying Agent and all other fees and costs incurred in connection with the Bonds will be paid by the District.

SECTION 3. Tax Covenants.

(a) With respect to Bonds issued as tax-exempt bonds, the District hereby covenants with the holders of such Bonds that, notwithstanding any other provisions of this Resolution, it will (1) comply with all of the provisions of the County Resolution relating to the Rebate Fund (as defined therein) and perform all acts necessary to be performed by the District in connection therewith, and (2) make no use of the proceeds of the Bonds or of any other amounts, regardless of the source, or of any property or take any action, or refrain from taking any action, that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.

The District will not make any use of the proceeds of the Bonds or any other funds of the District, or take or omit to take any other action, that would cause the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code or "federally guaranteed" within the meaning of Section 149(b) of the Code. To that end, so long as any Bonds are unpaid, the District, with respect to such proceeds and such other funds, will comply with all requirements of such Sections and all regulations of the United States Department of the Treasury issued thereunder and under Section 103 of the Internal Revenue Code of 1986, as amended, to the extent such requirements are, at the time, applicable and in effect.

The District will not use or permit the use of its facilities or any portion thereof by any person other than a governmental unit as such term is used in Section 141 of the Code, in such manner or to such extent as would result in the loss of exclusion from gross income for federal income tax purposes of the interest paid on the Bonds. In furtherance of the foregoing tax covenants of this Section 3(a), the District covenants that it will comply with the instructions and requirements of that certain Tax Certificate to be executed and delivered by the District on the date of issuance of such tax-exempt Bonds, which is incorporated herein as if fully set forth herein. These covenants shall survive the payment in full or defeasance of the Bonds.

(b) With respect to Bonds issued as QSC Bonds, the District covenants that it will comply with the instructions and requirements of those certain Tax Certificates to be executed and delivered by the District on the date of issuance of such QSC Bonds, as applicable.

SECTION 4. Legislative Determinations. This Board determines that all acts and conditions necessary to be performed by the Board or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District have been performed and have been met, or will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds.

have been performed and have been met, or will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds.

SECTION 5. Official Statement. The Preliminary Official Statement relating to the Bonds, substantially in the form on file with the Clerk of the Board, is hereby approved and the Superintendent of the District (the "Superintendent"), the Assistant Superintendent, Business Services of the District (the "Assistant Superintendent") and the Director of Fiscal Services of the District (the "Director of Fiscal Services"), or a designated deputy thereof (each, an "Authorized Officer"), each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deliver such Preliminary Official Statement to RBC Capital Markets Corporation (the "Underwriter") to be used in connection with the offering and sale of the Bonds. The Authorized Officers each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deem the Preliminary Official Statement "final" pursuant to 15c2-12 of the Securities Exchange Act of 1934, prior to its distribution and to execute and deliver to the Underwriter, a final Official Statement substantially in the form of the Preliminary Official Statement, with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the same shall approve. The Underwriter is hereby authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in the purchase of the Bonds and is directed to deliver copies of any final Official Statement to the purchasers of the Bonds. Execution of the Official Statement shall conclusively evidence the District's approval of the Official Statement.

SECTION 6. Purchase Contract. The form of the purchase contract for the Bonds (the "Purchase Contract") on file with the Clerk of the Board is hereby approved. In connection with the sale of the Bonds, the Board authorizes the Authorized Officers, each alone, on behalf of the District, to execute and deliver to the Underwriter a Purchase Contract for the Bonds, with such terms and conditions as may be acceptable to such official; provided, however, that the interest rate on the Bonds shall not exceed that authorized at the Election, the underwriting discount (excluding original discount) shall equal 1% of the aggregate principal amount of the Bonds issued, and the aggregate principal amount of the Bonds shall not exceed \$9,000,000. The Board hereby approves the sale of the Bonds at a negotiated sale, which is determined to provide more flexibility in the timing of the sale, an ability to implement the sale in a shorter time period, an increased ability to structure the Bonds to fit the needs of particular purchasers, and a greater opportunity for the Underwriter to pre-market the Bonds to potential purchasers prior to the sale, all of which will contribute to the District's goal of achieving the lowest overall cost of funds. The Board estimates that the costs associated with the issuance of the Bonds, including compensation to the Underwriter and any such costs which the Underwriter agrees to pay pursuant to the Purchase Contract, will equal approximately 4% of the principal amount of the Bonds.

SECTION 7. Paying Agent and Transfer Agent Agreement. The form of the Paying Agent and Transfer Agent Agreement for the QSC Bonds (the "QSC Bond Paying Agent Agreement") on file with the Clerk of the Board is hereby approved. Any Authorized Officer is hereby authorized to execute and deliver the QSC Bonds Paying Agent Agreement in its final form, and such execution shall constitute conclusive evidence of the approval of the QSC Bonds Paying Agent Agreement by the Board.

or specific performance by court order, to cause the District to comply with its obligations under this Section. Noncompliance with this Section shall not result in acceleration of the Bonds.

SECTION 9. Authorized Actions. Officers of the Board and District officials and staff are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

SECTION 10. Professional Services. The District hereby appoints Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California as Bond Counsel and Disclosure Counsel in connection with the issuance of the Bonds. The District also appoints RBC Capital Markets Corporation, Los Angeles, California, as Underwriter and Keygent LLC, El Segundo, California, as Financial Advisor in connection with the issuance of the Bonds.

SECTION 11. Designation as Qualified Tax-Exempt Obligation. Based on the following representations of the District, the tax-exempt portion of the Bonds are hereby designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code: (i) the Bonds are not private activity bonds within the meaning of Section 141 of the Code; (ii) the District, together with all of its subordinate entities, has not issued obligations (other than those obligations described in clause (iv) below) in calendar year 2009 the interest on which is excluded from gross income for federal income tax purposes under Section 103 of the Code; (iii) the District reasonably anticipates that it, together with its subordinate entities, will issue during the remainder of calendar year 2009 obligations (other than those obligations described in clause (iv) below) the interest on which is excluded from gross income for federal income tax purposes under to Section 103 of the Code which, when aggregated with all obligations described in clause (ii) above, will not exceed an aggregate principal amount of \$30,000,000; and (iv) notwithstanding clauses (ii) and (iii) above, the District and its subordinate entities may have issued in calendar year 2009 and may continue to issue during the remainder of calendar year 2009 private activity bonds other than qualified 501(c)(3) bonds as defined in Section 145 of the Code.

SECTION 12. Action re Qualified Tax-Exempt Obligation. Appropriate officials or officers of the District are hereby authorized and directed to take such other actions as may be necessary to designate the tax-exempt portion of the Bonds as "qualified tax-exempt obligations," including, if either deemed necessary or appropriate, placing a legend to such effect on the form of Bonds in such form as either deemed necessary or appropriate.

SECTION 13. Recitals. All the recitals in this Resolution above are true and correct and this Board so finds, determines and represents.

SECTION 14. Effective Date. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 13th day of October, 2009, by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

BOARD OF EDUCATION OF THE LITTLE LAKE
CITY SCHOOL DISTRICT

By: Hilda Zamora
President, Board of Education

Attest:

By: Phillip King
Secretary, Board of Education

SECRETARY'S CERTIFICATE

I, Phillip Perez, Secretary of the Board of Education of the Little Lake City School District, hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education of said District duly and regularly and legally held at the regular meeting place thereof on October 13, 2009, of which meeting all of the members of the Board of said District had due notice and at which a quorum was present.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office and the foregoing is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes.

Said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Dated: October 13, 2009

By: Phillip Perez
Secretary

EXHIBIT B
[FORM OF PURCHASE CONTRACT]

§ _____
**LITTLE LAKE CITY SCHOOL DISTRICT
LOS ANGELES COUNTY, CALIFORNIA
ELECTION OF 2000 GENERAL OBLIGATION BONDS, SERIES D
(BANK QUALIFIED)**

PURCHASE CONTRACT

_____, 2009

Board of Supervisors
County of Los Angeles
437 Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Superintendent
Little Lake City School District
10515 S. Pioneer Boulevard
Sante Fe Springs, California 90670

Ladies and Gentlemen:

The undersigned, RBC Capital Markets Corporation (the "Underwriter"), offers to enter into this Purchase Contract (the "Purchase Contract") with the County of Los Angeles (the "County") and the Little Lake City School District (the "District"), which, upon your acceptance hereof, will be binding upon the County, the District and the Underwriter. By execution of this Purchase Contract, the County, the District and the Underwriter acknowledge the terms hereof and recognize that they will be bound by certain of the provisions hereof, and to the extent binding thereupon, acknowledge and agree to such terms. This offer is made subject to the written acceptance of this Purchase Contract by the County and the District and delivery of such acceptance to us at or prior to 11:59 P.M., California Time, on the date hereof.

1. **Purchase and Sale of the Bonds.** Upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase from the County for reoffering to the public, and the County hereby agrees to sell in the name and on behalf of the District to the Underwriter for such purpose, all (but not less than all) of \$ _____ in aggregate principal amount of the District's Election of 2000 General Obligation Bonds, Series D (Bank Qualified) (the "Bonds"). The Bonds shall bear interest at the rates with the yields to maturity (or yields to the call date), shall mature in the years and shall be subject to redemption as shown on Exhibit A hereto, which is incorporated herein by this reference. The Underwriter shall purchase the Bonds at a price of \$ _____ (consisting of the principal amount of the Bonds of \$ _____, plus original issue premium of \$ _____, less an Underwriter's discount of \$ _____, less \$ _____ to be retained by the Underwriter and used to pay costs of issuance pursuant to Section 12 hereof, [and less bond

insurance premium of \$ _____ to be wired directly to the Insurer)]. The District and the County acknowledge that the amount of original issue premium retained by the Underwriter to pay costs of issuance does not constitute Underwriter's compensation. In the event that following payment of the costs of issuance, the amount retained by the Underwriter exceeds the actual costs, the Underwriter shall remit any remaining amount to the County and the County shall deposit such amount into the District's Debt Service Fund. In the event the amount retained by the Underwriter for payment of costs of issuance is insufficient to pay costs of issuance, any shortfall shall be paid by the District.

Inasmuch as this purchase and sale represents a negotiated transaction, the County and the District understand, and hereby confirm, that the Underwriter is not acting as a fiduciary of the County or the District, but rather is acting solely in its capacity as Underwriter, for its own account. The Underwriter has been duly authorized to execute this Purchase Contract and to act hereunder.

2. **The Bonds.** The Bonds shall be dated as of their date of delivery and shall mature on August 1 in the years shown on Exhibit A hereto. Payment of interest on the Bonds shall commence on _____ 1, 2010. The Bonds shall otherwise be as described in the Official Statement (as defined below), and shall be issued and secured pursuant to the provisions of the Resolution of the governing board of the District, adopted on _____, 2009 (the "District Resolution"), and pursuant to the Resolution of the Board of Supervisors of the County adopted on _____, 2009 (the "County Resolution" and, collectively with the District Resolution, the "Resolutions"), this Purchase Contract, Article XIII A of the California Constitution and Section 15100, *et seq.*, as amended, of the California Education Code (the "Act"). The Paying Agent for the Bonds, as designated by the County Resolution, shall be the Treasurer and Tax Collector of the County of Los Angeles (the "Paying Agent").

The Bonds shall be executed and delivered under and in accordance with the provisions of this Purchase Contract and the Resolutions. The Bonds shall be in book-entry form, shall bear CUSIP numbers, shall be in fully registered form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). [The payment of principal of and interest (but not any redemption premium) on the Bonds shall be secured by a financial guaranty insurance policy (the "Insurance Policy"), to be issued simultaneously with the issuance of the Bonds by _____ (the "Insurer").]

3. **Use of Documents.** The County and the District hereby authorize the Underwriter to use, in connection with the offering and sale of the Bonds, this Purchase Contract, the Official Statement, the District Resolution, the County Resolution, and all information contained herein and therein and all of the documents, certificates or statements furnished by the County or the District to the Underwriter in connection with the transactions contemplated by this Purchase Contract.

4. **Public Offering of the Bonds.** The Underwriter agrees to make a *bona fide* public offering of all the Bonds at the initial public offering prices or yields to be set forth on the cover or inside cover page of the Official Statement (defined below) and may subsequently change such offering prices without any requirement of prior notice. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and others at prices lower than the public offering prices stated in the Official Statement.

5. **Official Statement.** The District has caused to be drafted and consents to the use of a Preliminary Official Statement (the "Preliminary Official Statement"), including the cover page and Appendices thereto, relating to the Bonds. The District represents that it deems the Preliminary Official Statement to be final as of its date, except for either revision or addition of the offering price(s), interest rate(s), yield(s) to maturity, selling compensation, aggregate principal amount, principal amount per maturity, delivery date, rating(s) and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to Rule 15c2-12 of the Securities and Exchange Commission under the Securities and Exchange Act of 1934, as amended (the "Rule"). The Preliminary Official Statement has been prepared for use by the Underwriter in connection with the public offering, sale and distribution of the Bonds.

The District hereby authorizes the preparation of a final Official Statement respecting the Bonds following the execution hereof (the "Official Statement") and the District hereby authorizes the use thereof by the Underwriter in connection with the public offering and sale of the Bonds. The District shall provide, or cause to be provided, to the Underwriter as soon as practicable after the date of the District's acceptance of this Agreement (but, in any event, not later than seven business days after the execution hereof, and in sufficient time to accompany any confirmation of a sale of Bonds) copies of the Official Statement, which is complete as of the date of its delivery to the Underwriter, in such reasonable quantities as the Underwriter shall request in order to comply with Section (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board (the "MSRB"). The Underwriter hereby agrees to file the Official Statement with the MSRB.

The Underwriter agrees that prior to the time the final Official Statement relating to the Bonds is available, the Underwriter will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first class mail or electronic distribution (or other equally prompt means) not later than the first business day following the date upon which each such request is received.

During the period ending on the 25th day after the End of the Underwriting Period (as defined below) (or such other period as may be agreed to by the District and the Underwriter), the District (i) shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Underwriter and (ii) shall notify the Underwriter promptly if any event shall occur, or information comes to the attention of the District, that is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If, in the opinion of the Underwriter, such event requires the preparation and distribution of a supplement or amendment to the Official Statement, the District shall prepare and furnish to the Underwriter, at the District's expense, such number of copies of the supplement or amendment to the Official Statement, in form and substance mutually agreed upon by the District and the Underwriter, as the Underwriter may reasonably request. If such notification shall be given subsequent to the Closing, the District also shall furnish, or cause to be furnished, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary

to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

For purposes of this Purchase Agreement:

(1) the "End of the Underwriting Period" is used as defined in Rule 15c2-12 and shall occur on the later of (a) the date of Closing or (b) when the Underwriter no longer retains an unsold balance of the Bonds; unless otherwise advised in writing by the Underwriter on or prior to the Closing Date, or otherwise agreed to by the District, the Underwriter and the County, the District may assume that the End of the Underwriting Period is the Closing Date.

The Underwriter hereby agrees to file the Official Statement with a nationally recognized municipal securities information repository. Unless otherwise notified in writing by the Underwriter, the County and the District may assume that the "end of the underwriting period" is the date of the Closing.

6. **Closing.** At 9:00 a.m., California Time, on _____, 2009, or at such other time or on such other date as shall have been mutually agreed upon by the County, the District and the Underwriter (the "Closing"), the County will deliver to the Underwriter, at the offices of DTC, or at such other place as the parties may mutually agree upon, the Bonds in book-entry form, duly executed and registered as provided in Section 2 above, together with the other documents hereinafter mentioned; and the Underwriter will accept such delivery and pay the purchase price thereof in immediately available funds by wire transfer to an account or accounts within the United States designated by the County. The Underwriter will retain original issue premium in order to pay or provide for payment of the costs of issuance of the Bonds.

7. **Representations, Warranties and Agreements of the Underwriter.** The Underwriter represents to and agrees with the District and the County that, as of the date hereof and as of the Closing Date:

A. The Underwriter is duly authorized to execute this Purchase Contract and to take any action under this Purchase Contract required to be taken by it.

B. The Underwriter is in compliance with MSRB Rule G-37 with respect to the District, and is not prohibited thereby from acting as underwriter with respect to securities of the District.

C. The Underwriter has, and has had, no financial advisory relationship with the District or the County with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such financial advisory relationship.

8. **Representations, Warranties and Agreements of the District.** The District hereby represents, warrants and agrees with the Underwriter that:

A. The District is a school district duly organized and validly existing under the laws of the State of California, with the full legal right, power and authority to (i) request the County to issue the Bonds pursuant to the Act; (ii) enter into, execute and deliver this Purchase Contract and the Continuing Disclosure Certificate appended to the Official Statement (the "Continuing Disclosure Certificate"); and (iii) to adopt the District Resolution; and (iv) construct, improve or acquire the projects as described in the Official Statement with the proceeds of sale of the Bonds.

B. (i) At or prior to the Closing, the District will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds; (ii) the District has the legal right, power and authority to enter into this Purchase Contract, to adopt the District Resolution, to perform its obligations under each such document or instrument, and to carry out and effectuate the transactions contemplated by this Purchase Contract and the District Resolution; (iii) the execution and delivery or adoption of, and the performance by the District of the obligations contained in the Bonds, the Continuing Disclosure Certificate, the District Resolution and this Purchase Contract (collectively, the "District Documents") have been duly authorized and such authorization shall be in force and effect at the time of the Closing; (iv) the District Documents constitute valid and legally binding obligations of the District enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and to principles of equity relating to or affecting the enforcement of creditors' rights; and (v) the District has duly authorized the consummation by it of all transactions contemplated by this Purchase Contract and by the Official Statement.

C. No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any person, organization, court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Bonds or the consummation of the other transactions effected or contemplated herein or hereby, except for such actions which may qualify the Bonds for offer and sale under Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States as the Underwriter may reasonably request, or which have not been taken or obtained; provided, however, that the District shall not be required to subject itself to service of process in any jurisdiction in which it is not so subject as of the date hereof.

D. The District has complied with the requirements of the Internal Revenue Code of 1986, as amended, applicable to the Bonds.

E. To the best knowledge of the District, the issuance of the Bonds, and the execution, delivery and performance of the District Documents, and the compliance with the provisions thereof and hereof do not conflict with or constitute on the part of the District a violation of or default under, the Constitution of the State of California or any existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a

violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by which it is bound or to which it is subject.

F. As of the time of acceptance hereof no action, suit, hearing or investigation is pending or, to the best knowledge of the District, threatened: (i) in any way affecting the existence of the District or in any way challenging the respective powers of the several offices or the titles of the officials of the District to such offices; or (ii) seeking to restrain or enjoin the sale, issuance or delivery of the Bonds, the application of the proceeds of the sale of the Bonds, or the collection of tax revenues available to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Contract or the District Resolution or contesting the powers of the District or its authority with respect to the Bonds, this Purchase Contract or the District Resolution; or (iii) in which a final adverse decision could (a) materially adversely affect the operations of the District or the consummation of the transactions contemplated by this Purchase Contract or the District Resolution, (b) declare this Purchase Contract to be invalid or unenforceable in whole or in material part, or (c) adversely affect the exclusion of the interest paid on the Bonds from gross income for federal income tax purposes or the exemption of such interest from California personal income taxation.

G. Between the date hereof and the Closing without the prior written consent of the Underwriter, neither the District nor the County in the name and on behalf of the District, will have issued in the name and on behalf of the District, any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement.

H. Any certificates signed by any officer of the District and delivered to the Underwriter shall be deemed a representation and warranty by the District to the Underwriter, but not by the person signing the same, as to the statements made therein.

I. With respect to any certificates by the District pursuant to Section 42131 of the Education Code of the State, the District has not received, and for the next reporting period does not expect to receive, a qualified or negative classification from the County Superintendent of Schools.

J. In accordance with the requirements of the Rule, the District will enter into the Continuing Disclosure Certificate, upon or prior to the sale of the Bonds, in which the District will undertake, for the benefit of the Owners of the Bonds, to provide certain information as set forth therein. The District is not in default with respect to any continuing disclosure obligation it may have incurred prior to the date hereof in connection with the delivery or issuance of any debt instruments, bonds, notes or lease-purchase obligations.

K. The District will furnish such information and execute such instruments and take such action in cooperation with the Underwriter as the Underwriter may

reasonably request in order to qualify the Bonds for offering and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Underwriter may designate and determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions and to continue such qualifications in effect so long as may be required for the distribution of the Bonds (provided, however, that the District will not be required to qualify as a foreign corporation or to file any general or special consent to service of process under the laws of any jurisdiction).

L. The District agrees to apply the proceeds from the sale of the Bonds for the purposes specified in the Resolutions and the purposes specifically designated in its official project list approved by the electorate of the District on March 7, 2000.

M. The Preliminary Official Statement did not, and the Official Statement will not, as of its date (excluding therefrom information relating to The Depository Trust Company, [the Insurer,] and information provided by the Underwriter) contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If the Official Statement is supplemented or amended, at all times subsequent thereto during the period up to and including the date of Closing, the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which made, not misleading.

N. The financial statements of, and other financial information regarding the District, contained in the Official Statement fairly represent the financial position and operating results of the District as of the dates and for the periods set forth therein. Since the date of the Preliminary Official Statement, there has been no adverse change of a material nature in such financial position, results of operation or condition, financial or otherwise, of the District. The District is not a party to any litigation or other proceeding pending or, to its knowledge, threatened which, if decided adversely to the District, would have a materially adverse effect on the financial condition of the District.

9. Representations, Warranties and Covenants of the County. The County represents and warrants to the Underwriter that:

A. The County has the power under the Constitution and laws of the State to issue the Bonds in the name and on behalf of the District.

B. (i) At or prior to the Closing, the County will have taken all actions required to be taken by it in order to authorize the issuance and delivery of the Bonds; (ii) the County has full legal right, power and authority to enter into this Purchase Contract, to adopt the County Resolution, to issue and deliver the Bonds to the Underwriter on behalf of the District and to perform its obligations under

each such document or instrument, and to carry out and effectuate the transactions contemplated by this Purchase Contract and the County Resolution; (iii) the execution and delivery or adoption of, and the performance by the County of its obligations contained in the Bonds, the County Resolution and this Purchase Contract have been duly authorized, and such authorization shall be in full force and effect as at the Closing; (iv) this Purchase Contract constitutes a valid and legally binding obligation of the County, enforceable against the County in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and to principles of equity relating to or affecting the enforcement of creditors' rights; and (v) the County has duly authorized the consummation by it of all transactions contemplated by this Purchase Contract.

C. To the best knowledge of the County, as of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending in which service of process has been completed against the County; (i) in any way affecting the existence of the County or in any way challenging the respective powers of the several offices or of the titles of the officials of the County to such offices; or (ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Contract or the County Resolution or contesting the powers of the County or its authority with respect to the Bonds, the County Resolution or this Purchase Contract; or (iii) in which a final adverse decision could (a) materially adversely affect the consummation of the transactions contemplated by this Purchase Contract or the County Resolution or (b) declare this Purchase Contract to be invalid or unenforceable in whole or in material part.

D. Between the date hereof and the Closing, without the prior written consent of the Underwriter, the County will not have issued in the name and on behalf of the District any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement.

E. Any certificates signed by an authorized officer of the County and delivered to the Underwriter shall be deemed a representation and warranty by the County to the Underwriter, but not by the person signing the same, as to the statements made therein.

10. **Conditions to Closing.** The Underwriter has entered into this Purchase Contract in reliance upon the representations and warranties of the District and the County contained herein and the performance by the District and the County of their respective obligations hereunder and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the date of Closing. Accordingly, the Underwriter's obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds are and shall be conditioned upon the performance by the District and the County, respectively, of their obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject at the option of the Underwriter, to the following further conditions, including the delivery by the District and the

County of such documents and instruments as are enumerated herein, in form and substance satisfactory to the Underwriter:

A. The representations and warranties of the District and the County contained herein shall be true, complete and correct in all material respects at the date hereof and at and as of the Closing, as if made at and as of the Closing, and the statements made in all certificates and other documents delivered to the Underwriter at the Closing pursuant hereto shall be true, complete and correct in all material respects on the date of the Closing; and the District and the County shall be in compliance with each of the agreements made by them, individually, in this Purchase Contract;

B. At the time of the Closing, (i) the Official Statement, this Purchase Contract and the Resolutions shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter; (ii) all actions under the Act which, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; and (iii) the District shall perform or have performed all of its obligations required under or specified in the Resolutions, this Purchase Contract or the Official Statement to be performed at or prior to the Closing;

C. No decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Purchase Contract (and not reversed on appeal or otherwise set aside), or to the best knowledge of the District, pending or threatened, which has any of the effects described in Section 8.F. hereof, or contesting in any way the completeness or accuracy of the Official Statement;

D. Between the date hereof and the Closing, the market price for the Bonds, or the market for or marketability of the Bonds at the initial offering prices set forth in the Official Statement, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall not have been materially adversely affected in the reasonable professional judgment of the Underwriter (evidenced by a written notice to the County and the District terminating the obligation of the Underwriter to accept delivery of and pay for the Bonds) by reason of any of the following:

(1) legislation enacted by the Congress of the United States, or passed by either House of the Congress, or favorably reported for passage to either House of the Congress by any Committee of such House to which such legislation has been referred for consideration, or by the legislature of the State of California (the "State"), or introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court of the United States or the State or by the United States Tax Court, or an order, regulation (final, temporary or proposed) or official statement issued or made:

- (i) by or on behalf of the United States Treasury Department, or by or on behalf of the Internal Revenue Service or other federal or State authority, which would have the purpose or effect of changing, directly or indirectly, the federal income tax consequences or State tax consequences of interest on obligations of the general character of the Bonds in the hands of the holders thereof; or
 - (ii) by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, to the effect that the Bonds, or obligations of the general character of the Bonds, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended;
- (2) the declaration of war or engagement in or material escalation of major military hostilities by the United States or the occurrence of any other national or international emergency or calamity or crisis relating to the effective operation of the government or the financial community in the United States;
- (3) the declaration of a general banking moratorium by federal, New York or State authorities having jurisdiction, or the general suspension of trading on any national securities exchange or fixing of minimum or maximum prices for trading or maximum ranges for prices for securities on any national securities exchange, whether by virtue of a determination by that exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction;
- (4) the imposition by the New York Stock Exchange, other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds, or obligations of the general character of the Bonds, or securities generally, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, underwriters;
- (5) an order, decree or injunction of any court of competent jurisdiction, or order, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, as contemplated hereby or by the Official Statement, is or would be in violation of the Federal securities laws, as amended and then in effect;
- (6) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material

adverse respect any statement or information set forth in the Official Statement, or results in an omission to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading;

(7) there shall have occurred since the date of this Purchase Contract any materially adverse change in the affairs or financial condition of the District;

(8) any state Blue Sky or securities commission, or other governmental agency or body, shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto;

(9) any amendment shall have been made to the federal or State Constitution or action by any federal or State court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the District, its property, income securities (or interest thereon) or the validity or enforceability of the levy of taxes to pay principal of and interest on the Bonds;

(10) the purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission; or

(11) there shall have occurred or any notice shall have been given of any downgrade, suspension, withdrawal, or negative change in credit watch status by any national rating service to any of the District's obligations or any rating of the Insurer.

E. At or prior to the date of the Closing, the Underwriter shall receive the following documents, in each case dated as of the Closing Date and satisfactory in form and substance to the Underwriter:

(1) An approving opinion of Bond Counsel as to the validity and tax-exempt status of the Bonds, dated the date of Closing, addressed to the District;

(2) A reliance letter from Bond Counsel to the effect that the Underwriter may rely upon the approving opinion described in E(1) above;

(3) A supplemental opinion from Bond Counsel, addressed to the Underwriter and the District, to the effect that:

(a) this Purchase Contract has been duly authorized, executed and delivered by the District and the County and, assuming due

authorization, execution and delivery by the Underwriter, is a legally valid and binding agreement of the District and the County, enforceable in accordance with its terms, except as such enforcement may be limited by bankruptcy, moratorium, insolvency or other laws affecting creditors' rights or remedies, and is subject to general principles of equity (regardless of whether such enforcement is considered in equity or at law);

(b) the statements contained in the Official Statement in the sections thereof entitled: "INTRODUCTION," "THE BONDS" and "TAX MATTERS," insofar as such statements purport to summarize certain provisions of the Bonds, the District Resolution and the County Resolution, present a fair and accurate summary of such provisions; and

(c) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolutions are exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

(4) A certificate signed by an appropriate official of the District to the effect that (i) such official is authorized to execute this Purchase Contract, (ii) the representations, agreements and warranties of the District herein are true and correct in all material respects as of the date of Closing, (iii) the District has complied with all the terms of the District Resolution and this Purchase Contract to be complied with by the District prior to or concurrently with the Closing and such documents are in full force and effect, (iv) such official has reviewed the Official Statement and on such basis certifies that the Official Statement does not contain any untrue statements of a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading and (v) the Bonds being delivered on the date of the Closing to the Underwriter under this Purchase Contract substantially conform to the descriptions thereof contained in the Resolutions and (vi) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or public body, pending or, to his or her knowledge, threatened against the District contesting in any way the completeness or accuracy of the Official Statement, the issuance of the Bonds by the County on behalf of the District or the due adoption of the District Resolution;

(5) A tax certificate of the District in form satisfactory to Bond Counsel;

(6) Evidence satisfactory to the Underwriter that the Bonds shall have been: (i) rated "_____" by Standard & Poor's and "_____" by Moody's Investors Service, [based upon the issuance of the Insurance Policy by the Insurer and (ii) assigned underlying ratings of "_____" by Standard & Poor's and "_____" by Moody's Investors Service] (or such other equivalent

rating as such rating agency may give) and that such ratings have not been revoked or downgraded;

(7) A certificate, together with fully executed copies of the District Resolution, of the Secretary of the District Board of Education to the effect that:

(i) such copies are true and correct copies of the District Resolution; and

(ii) that the District Resolution was duly adopted and has not been modified, amended, rescinded or revoked and is in full force and effect on the date of the Closing.

(8) An opinion of County Counsel, addressed to the County, to the District and the Underwriter, in substantially the form attached as Exhibit B hereto;

(9) An original adopted County Resolution or a copy of the County Resolution, certified by the Executive Officer-Clerk of the Board of Supervisors;

(10) A "deemed final" certificate of the appropriate official of the District with respect to the Preliminary Official Statement in accordance with the Rule;

(11) The Continuing Disclosure Certificate, signed by an appropriate official of the District [and _____], as Dissemination Agent;

(12) A certificate of the Paying Agent, signed by a duly authorized officer of the Paying Agent, and in form and substance satisfactory to the Underwriter, to the effect that, to the best of such officer's knowledge, no litigation is pending or threatened (either in state or federal courts) (A) seeking to restrain or enjoin the delivery by the Paying Agent of any of the Bonds, or (B) in any way contesting or affecting any authority of the Paying Agent for the delivery of the Bonds or the validity or enforceability of the Bonds or any agreement with the Paying Agent;

(13) [A municipal bond insurance policy issued by _____ with respect to the Bonds, together with an opinion from general counsel to such insurer as to the enforceability thereof and a certificate issued by such insurer regarding the description of the Insurer in the Official Statement and certain other matters;]

(14) An opinion of counsel to the Underwriter in form and substance satisfactory to the Underwriter; and

(15) Such additional legal opinions, certificates, proceedings, instruments, and other documents as the Underwriter may reasonably request in order to evidence compliance (i) by the District with legal requirements, (ii) the truth and accuracy, as of the time of Closing, of the representations of the District herein contained and of the Official Statement, and (iii) the due performance or satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the District.

If the County or the District shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Purchase Contract or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract may be cancelled by the Underwriter at, or at any time prior to, the time of Closing. Notice of such cancellation shall be given to the County and the District in writing or by telephone or telecopy, confirmed in writing. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the District hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriter may be waived by the Underwriter in writing at its sole discretion.

11. Conditions to Obligations of the County and the District. The performance by the County and the District of their respective obligations under this Purchase Contract is conditioned upon (i) the performance by the Underwriter of its obligations hereunder; and (ii) receipt by the County and the District and by the Underwriter of opinions and certificates being delivered at the Closing by persons and entities other than themselves.

12. Expenses. The Bonds are being sold with an original issue premium in order to provide funds to pay costs of issuance thereof, as described in Section 1 above. The Underwriter, on behalf of the District, shall pay any expenses incident to the performance of its obligations hereunder from such retained original issue premium, including but not limited to the following: (i) the fees and disbursements of Bond Counsel and Disclosure Counsel; (ii) the fees of the Financial Advisor, (iii) the cost of the preparation, printing and delivery of the Bonds; (iv) the fees, if any, for Bond ratings and Bond insurance premiums, including all expenses related to obtaining such ratings and bond insurance; (v) the cost of the printing and distribution of the Official Statement; (vi) the fees of the Paying Agent, (vii) the fees of the Dissemination Agent, if any, and (viii) all other fees and expenses incident to the issuance and sale of Bonds. In the event that following payment of the expenses set forth above, the amount retained by the Underwriter to pay costs of issuance exceeds the actual costs described herein, the Underwriter shall remit any remaining amount to the County and the County shall deposit such amount into the District's Debt Service Fund. Any expenses owing following the depletion of said amount shall be for the account of the District. The Underwriter shall pay its out-of-pocket expenses, other than travel incurred in connection with obtaining ratings and bond insurance, and the fees and expenses of its counsel.

13. Notices. Any notice or other communication to be given under this Purchase Contract (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing, if to the County, to the Treasurer and Tax Collector, County of Los Angeles, 437 Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, California 90012; if to the District, to the Superintendent of Little Lake City

School District, 10515 S. Pioneer Boulevard, Santa Fe Springs, California 90670, or if to the Underwriter, to RBC Capital Markets Corporation, 777 South Figueroa Street, Suite 850, Los Angeles, California 90017, Attn: Roderick A. Carter.

14. **Parties In Interest; Survival of Representations and Warranties.** This Purchase Contract when accepted by the County and the District in writing as heretofore specified shall constitute the entire agreement among the County, the District and the Underwriter. This Purchase Contract is made solely for the benefit of the County, the District and the Underwriter (including the successors or assigns of the Underwriter). No person shall acquire or have any rights hereunder or by virtue hereof. All the representations, warranties and agreements of the County or the District in this Purchase Contract shall survive regardless of (a) any investigation of any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of and payment by the Underwriter for the Bonds hereunder, and (c) any termination of this Purchase Contract.

15. **Execution in Counterparts.** This Purchase Contract may be executed in several counterparts each of which shall be regarded as an original and all of which shall constitute but one and the same document.

[Remainder of Page Intentionally Left Blank]

16. **Applicable Law.** This Purchase Contract shall be interpreted, governed and enforced in accordance with the law of the State of California applicable to contracts made and performed in such State.

Very truly yours,

RBC CAPITAL MARKETS CORPORATION

By _____
Roderick A. Carter
Managing Director

The foregoing is hereby agreed to and accepted as of the date first above written:

LITTLE LAKE CITY SCHOOL DISTRICT

By _____
Dr. Phillip Perez
Superintendent

COUNTY OF LOS ANGELES

By _____
Mark J. Saladino
Treasurer and Tax Collector

Approved as to form:

ROBERT E. KALUNIAN
Acting County Counsel

By _____
Principal Deputy County Counsel

Accepted at _____ a.m./p.m. Pacific Daylight Time
on this _____ day of _____, 2009.

EXHIBIT A

\$ _____
**LITTLE LAKE CITY SCHOOL DISTRICT
LOS ANGELES COUNTY, CALIFORNIA
ELECTION OF 2000 GENERAL OBLIGATION BONDS, SERIES D
(BANK QUALIFIED)**

\$ _____ **Current Interest Serial Bonds**

<u>Maturity Date</u> <u>(August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>
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⁽¹⁾ Priced to the par call date of August 1, 20____.

TERMS OF REDEMPTION

The Bonds are subject to redemption prior to their stated maturity dates as follows:

Optional Redemption. The Bonds maturing on or before August 1, 20__ are not subject to redemption prior to their fixed maturity dates. The Bonds maturing on or after August 1, 20__ may be redeemed prior to their respective stated maturity dates at the option of the District, from any source of funds, in whole or in part, on August 1, 20__ or on any date thereafter, at a redemption price equal to the principal amount of the Bonds called for redemption, together with interest accrued thereon to the date fixed for redemption, without premium.

[The selection of maturities and the amounts of the Bonds of each maturity to be redeemed shall be on a *pro rata* basis, as determined by the Paying Agent.]

Mandatory Redemption. The Bonds maturing on August 1, 20__, are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, 20__, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium. The principal amount represented by such Bonds to be so redeemed and the dates therefor and the final principal payment date is as indicated in the following table:

Redemption Date (August 1)	<u>Principal Amount</u>
-------------------------------	-------------------------

(1).

⁽¹⁾ Maturity.

The Bonds maturing on August 1, 20__, are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, 20__, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium. The principal amount represented by such Bonds to be so redeemed and the dates therefor and the final principal payment date is as indicated in the following table:

Redemption Date
(August 1)

Principal Amount

(1)

⁽¹⁾ Final Maturity.

[The selection of maturities and the amounts of the Bonds of each maturity to be redeemed shall be on a *pro rata* basis, as determined by the Paying Agent.]

EXHIBIT B

FORM OF OPINION OF COUNTY COUNSEL

County of Los Angeles
Treasurer and Tax Collector's Office
500 West Temple Street, Room 432
Los Angeles, California 90012

Little Lake City School District
10515 S. Pioneer Boulevard
Santa Fe Springs, California 90670

RBC Capital Markets Corporation
777 South Figueroa Street, Suite 850
Los Angeles, California 90017

Re: \$ _____ Little Lake City School District (Los Angeles County,
California) Election of 2000 General Obligation Bonds, Series D

Ladies and Gentlemen:

This opinion is rendered as counsel to the County of Los Angeles (the "County") in connection with the issuance by the Little Lake City School District (the "District") of its Election of 2000 General Obligation Bonds, Series D in the aggregate principal amount of \$ _____ (the "Bonds"). The Bonds are being issued pursuant to a resolution of the Board of Supervisors of the County adopted on _____, 2009 (the "County Resolution"), at the request of the District made pursuant to a resolution adopted by its Board of Education on _____, 2009 (the "District Resolution").

In rendering this opinion, we have examined the County Resolution, the Purchase Contract dated _____, 2009 (the "Purchase Contract"), by and among the District, the County, and RBC Capital Markets Corporation, as Underwriter and such other documents, records and instruments and made such investigations of law and fact as we have deemed necessary to render the opinions expressed herein.

Based upon the foregoing, and solely with respect to the laws of the State of California (the "State"), we are of the opinion, as of the date hereof, that:

1. The County is a political subdivision duly organized and existing pursuant to the Constitution and the laws of the State of California.
2. The County Resolution approving and authorizing the execution and delivery of the Purchase Contract and the issuance of the Bonds was duly adopted at a meeting of the governing body of the County, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting at the time of

adoption, has not been modified, amended, rescinded or revoked and is in full force and effect on the date hereof.

3. To the best of my knowledge, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public agency or body pending, in which service of process has been completed, or threatened against the County (a) affecting the existence of the County or the titles of its officers who have acted with respect to the proceedings for issuance and sale of the Bonds to their respective offices; (b) seeking to prohibit, restrain or enjoin the execution of the Purchase Contract or the issuance of the Bonds or in any way contesting or affecting the validity or enforceability of the Bonds, the Purchase Contract, or the County Resolution; (c) contesting the powers of the County or its authority to enter into, adopt or perform its obligations under the County Resolution or the Purchase Contract; or (d) seeking to restrain or enjoin the levy or collection of tax revenues pledged for payment of the Bonds.

4. The Purchase Contract has been duly authorized, executed and delivered by the County and the Bonds have been duly authorized by the County, executed by the County on behalf of the District and delivered by the County and, assuming due authorization, execution and delivery by the other parties thereto, the Purchase Contract will constitute the legal, valid and binding agreement of the County enforceable against the County in accordance with its terms.

With respect to the opinions we have expressed above, enforcement of the rights and obligations under the County Resolution, the Purchase Contract and the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights generally, by the application of equitable principles if equitable remedies are sought, and by limitations on legal remedies imposed in actions against public entities in the State. We express no opinion as to the availability of equitable remedies in connection with enforcement of the County Resolution, the Purchase Contract or the Bonds.

Very truly yours,

ROBERT E. KALUNIAN
Acting County Counsel

By: _____
CAMMY C. DuPONT
Principal Deputy County Counsel
Government Services Division

§ _____
**LITTLE LAKE CITY SCHOOL DISTRICT
LOS ANGELES COUNTY, CALIFORNIA
ELECTION OF 2000 GENERAL OBLIGATION BONDS,
SERIES [_____] (2009)
QUALIFIED SCHOOL CONSTRUCTION BONDS
(TAX CREDIT BONDS)**

BOND PURCHASE AGREEMENT

_____, 2009

Board of Supervisors
County of Los Angeles
437 Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Superintendent
Little Lake City School District
10515 S. Pioneer Boulevard
Santa Fe Springs, California 90670

Ladies and Gentlemen:

The undersigned, RBC Capital Markets Corporation (the “Underwriter”), acting on its own behalf and not as a fiduciary agent for you, offers to enter into this Bond Purchase Agreement (the “Purchase Agreement”) with the County of Los Angeles (the “County”) and the Little Lake City School District (the “District”), which, upon your acceptance hereof, will be binding upon the County, the District and the Underwriter. By execution of this Purchase Agreement, the County, the District and the Underwriter acknowledge the terms hereof and recognize that they will be bound by certain of the provisions hereof, and to the extent binding thereupon, acknowledge and agree to such terms. This offer is made subject to the written acceptance of this Purchase Agreement by the County and the District and delivery of such acceptance to us at or prior to 11:59 P.M., California Time, on the date hereof.

1. **Purchase and Sale of the Bonds.** Upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase from the County for reoffering to the public, and the County hereby agrees to sell in the name and on behalf of the District to the Underwriter for such purpose, all (but not less than all) of \$_____ in aggregate principal amount of the District’s Election of 2000 General Obligation Bonds, Series [_____] (2009) Qualified School Construct Bonds (Tax Credit Bonds) (the “Bonds”).

The Bonds are being issued as “qualified school construction bonds” as defined in Section 54F of the Code and are comprised of a principal component (the “Principal Component”) and tax credit components (the “Tax Credit Components”) evidenced by the Tax Credit Certificates associated with each Tax Credit Bond (the “Tax Credit Certificates”). [The Bonds do not bear interest.] The Bonds

are not subject to optional or mandatory sinking fund redemption prior to their stated maturity. The Bonds are subject to redemption as set forth in Exhibit B hereto. The Tax Credit Rate with respect to the Bonds, as established by U.S. Department of the Treasury on _____, 2009, is ____% per annum.

2. The Underwriter shall purchase the Bonds at a price of \$_____ (consisting of the aggregate initial principal amount of the Bonds [plus original issue premium of \$_____, less an Underwriter's discount of \$_____, less \$_____ to be retained by the Underwriter and used to pay costs of issuance pursuant to Section 11(a) hereof, [and less bond insurance premium of \$_____ to be wired directly to the Insurer (as defined herein)]). The District and the County acknowledge that the amount of original issue premium retained by the Underwriter to pay costs of issuance does not constitute Underwriter's compensation. In the event that following payment of the costs of issuance, the amount retained by the Underwriter exceeds the actual costs, the Underwriter shall remit any remaining amount to the County and the County shall deposit such amount into the District's Debt Service Fund. In the event the amount retained by the Underwriter for payment of costs of issuance is insufficient to pay costs of issuance, any shortfall shall be paid by the District.]

Inasmuch as this purchase and sale represents a negotiated transaction, the County and the District understand, and hereby confirm, that the Underwriter is not acting as a fiduciary of the County or the District, but rather is acting solely in its capacity as Underwriter, for its own account. The undersigned officer of the Underwriter has been duly authorized to execute this Purchase Agreement and to act hereunder on behalf of the Underwriter.

3. **The Bonds.** The Bonds shall be dated as of their date of delivery and shall mature on August 1 in the years shown on Exhibit A hereto. Payment of interest on the Bonds shall commence on [February 1, 2010.] Except as otherwise provided for herein, the Bonds shall otherwise be as described in the Preliminary Official Statement (as defined in Paragraph 5 below), and shall be issued and secured pursuant to the provisions of the Resolution of the governing board of the District, adopted on _____, 2009 (the "District Resolution"), and pursuant to the Resolution of the Board of Supervisors of the County adopted on _____, 2009 (the "County Resolution" and, collectively with the District Resolution, the "Resolutions"), this Purchase Agreement, Article XIII A of the California Constitution and Section 15100 *et seq.*, as amended of the California Education Code (the "Act"). The Paying Agent for the Bonds, as designated by the County Resolution, shall be the Treasurer and Tax Collector of the County of Los Angeles (the "Paying Agent").

The Bonds shall be executed and delivered under and in accordance with the provisions of this Purchase Agreement, the Resolutions and the Paying Agent and Transfer Agent Agreement, among the District, the County and U.S. Bank National Association (the "Paying Agent Agreement"). The Paying Agent Agreement shall be in form and substance satisfactory to the Underwriter, and the provisions thereof with respect to the Bonds shall be incorporated herein and be made a part hereof. The Bonds will be issued in denominations of \$40,000 and integral multiples thereof. The Bonds shall be in book-entry form, shall bear CUSIP numbers, shall be in fully registered form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). [The payment of principal of and interest (but not any redemption premium) on the Bonds shall be secured by a financial guaranty insurance policy (the "Insurance Policy"), to be issued simultaneously with the issuance of the Bonds by _____ (the "Insurer").]

4. **Use of Documents.** The County and the District hereby authorize the Underwriter to use, in connection with the offering and sale of the Bonds, this Purchase Agreement, the Official

Statement (as defined below), the District Resolution, the County Resolution, and all information contained herein and therein and all of the documents, certificates or statements furnished by the County or the District to the Underwriter in connection with the transactions contemplated by this Purchase Agreement.

5. **Public Offering of the Bonds.** The Underwriter agrees to make a *bona fide* public offering of all the Bonds at the initial public offering prices or yields set forth on Exhibit A hereto, and may subsequently change such offering prices without any requirement of prior notice. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and others at prices lower than the public offering prices stated in the Official Statement. The Underwriter agrees to provide reoffering price data respecting the Bonds to Bond Counsel (as defined below) as Bond Counsel may require, in connection with the Closing (as defined below).

6. **Official Statement.** The District has caused to be drafted and consents to the use of the Preliminary Official Statement, dated _____, 2009, describing the Bonds (the "Preliminary Official Statement"), including the cover page, inside cover page and Appendices thereto. The District represents that it deemed the Preliminary Official Statement to be final as of its date, except for either revision or addition of the offering price(s), interest rate(s), yield(s) to maturity, selling compensation, aggregate principal amount, principal amount per maturity, delivery date, rating(s) and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to Rule 15c2-12 of the Securities and Exchange Commission under the Securities and Exchange Act of 1934, as amended (the "Rule"). The Preliminary Official Statement has been prepared for use in connection with the public offering, sale and distribution of the Bonds.

The District shall prepare a final Official Statement respecting the Bonds following the execution hereof (the "Official Statement"). The District shall provide, or cause to be provided, to the Underwriter not later than seven business days after the execution hereof, and in sufficient time to accompany any confirmation of the sale of the Bonds, copies of the Official Statement, complete as of the date of its delivery to the Underwriter, in such reasonable quantities as the Underwriter shall request in order to comply with Section (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board. The Underwriter hereby agrees to file the Official Statement with a nationally recognized municipal securities information repository.

The Underwriter agrees that prior to the time the final Official Statement relating to the Bonds is available, the Underwriter will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first class mail or electronic distribution (or other equally prompt means) not later than the first business day following the date upon which each such request is received.

During the period ending on the 25th day after the End of the Underwriting Period (as defined below) (or such other period as may be agreed to by the District and the Underwriter), the District (i) shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Underwriter and (ii) shall notify the Underwriter promptly if any event shall occur, or information comes to the attention of the District, that is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If, in the opinion of the Underwriter, such event requires the preparation and distribution

of a supplement or amendment to the Official Statement, the District shall prepare and furnish to the Underwriter, at the District's expense, such number of copies of the supplement or amendment to the Official Statement, in form and substance mutually agreed upon by the District and the Underwriter, as the Underwriter may reasonably request. If such notification shall be given subsequent to the Closing, the District also shall furnish, or cause to be furnished, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

For purposes of this Purchase Agreement:

(1) the "End of the Underwriting Period" is used as defined in Rule 15c2-12 and shall occur on the later of (a) the date of Closing or (b) when the Underwriter no longer retains an unsold balance of the Bonds; unless otherwise advised in writing by the Underwriter on or prior to the Closing Date, or otherwise agreed to by the District, the Underwriter and the County, the District may assume that the End of the Underwriting Period is the Closing Date.

7. **Closing.** At 9:00 a.m., California Time, on _____, 2009, or at such other time or on such other date as shall have been mutually agreed upon by the County and the Underwriter (the "Closing"), the County will deliver to the Underwriter, through the facilities of DTC, the Bonds in book-entry form, duly executed and registered as provided in paragraph 2 above, together with the other documents hereinafter mentioned; and the Underwriter will accept such delivery and pay the purchase price thereof in immediately available funds by wire transfer to an account or accounts within the United States designated by the County.

8. **Representations, Warranties and Agreements of the District.** The District hereby represents, warrants and agrees with the Underwriter that:

A. The District is a school district duly organized and validly existing under the laws of the State of California, with the full legal right, power and authority to (i) request the County to issue the Bonds pursuant to the Act; (ii) enter into, execute and deliver this Purchase Agreement and the Continuing Disclosure Certificate appended to the Official Statement (the "Continuing Disclosure Certificate"); and (iii) adopt the District Resolution.

B. (i) The District has the legal right, power and authority to enter into this Purchase Agreement, to adopt the District Resolution, to perform its obligations under each such document or instrument, and to cause the Bonds to be issued and delivered as contemplated by this Purchase Agreement, the District Resolution, the Paying Agent Agreement and the Continuing Disclosure Certificate (collectively, the "District Documents"); (ii) the execution and delivery or adoption of, and the performance by the District of the obligations contained in the Bonds and the District Documents have been duly authorized; and (iii) the District Documents constitute valid and legally binding obligations of the District enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and to principles of equity relating to or affecting the enforcement of creditors' rights.

C. Other than those already obtained, given, filed or made, no consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by

any person, organization, court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Bonds, except for such actions which may qualify the Bonds for offer and sale under Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States as the Underwriter may reasonably request; provided, however, that the District shall not be required to subject itself to service of process in any jurisdiction in which it is not so subject as of the date hereof.

D. To the best knowledge of the District, the issuance of the Bonds, and the execution, delivery and performance of the District Documents, and the compliance with the provisions thereof and hereof do not conflict with or constitute on the part of the District a violation of or default under, the Constitution of the State of California or any existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by which it is bound or to which it is subject.

E. Other than as described in the Preliminary Official Statement, as of the time of acceptance hereof no action, suit, hearing or investigation is pending or, to the best knowledge of the District, threatened: (i) in any way affecting the existence of the District or in any way challenging the respective powers of the Authorized Officer of the District, as defined in the District Resolution; or (ii) seeking to restrain or enjoin the sale, issuance or delivery of the Bonds, or the collection of *ad valorem* taxes available to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Agreement, the Paying Agent Agreement or the District Resolution or contesting the powers of the District or its authority with respect to the Bonds, this Purchase Agreement, the Paying Agent Agreement or the District Resolution; or (iii) in which a final adverse decision could (a) materially adversely affect the operations of the District or the consummation of the transactions contemplated by this Purchase Agreement, the Paying Agent Agreement or the District Resolution, (b) declare this Purchase Agreement to be invalid or unenforceable in whole or in material part, or (c) adversely affect the exclusion of the interest paid on the Bonds from gross income for federal income tax purposes or the exemption of such interest from California personal income taxation.

F. Between the date hereof and the Closing, without the prior written consent of the Underwriter, neither the District nor the County in the name and on behalf of the District, will issue in the name and on behalf of the District, any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in the Official Statement.

G. Any certificates signed by any officer of the District and delivered to the Underwriter shall be deemed a representation and warranty by the District to the Underwriter, but not by the person signing the same, as to the statements made therein.

H. With respect to any certificates by the District pursuant to Section 42131 of the Education Code of the State, the District has not received a qualified or negative certification from the County Superintendent of Schools.

I. Other than as described in the Preliminary Official Statement, the District is not in default with respect to any continuing disclosure obligation it may have incurred prior to the date hereof in connection with the delivery or issuance of any debt instruments, bonds, notes or lease-purchase obligations.

J. The District will furnish such information and execute such instruments and take such action in cooperation with the Underwriter as the Underwriter may reasonably request in order to qualify the Bonds for offering and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Underwriter may designate and determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions and to continue such qualifications in effect so long as may be required for the distribution of the Bonds (provided, however, that the District will not be required to qualify as a foreign corporation or to file any general or special consent to service of process under the laws of any jurisdiction).

K. The Preliminary Official Statement did not, and the Official Statement will not, as of its date (excluding therefrom information relating to The Depository Trust Company, [the Insurer,] and information provided by the Underwriter) contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If the Official Statement is supplemented or amended, at all times subsequent thereto during the period up to and including the date of Closing, the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which made, not misleading.

L. The financial statements of, and other financial information regarding the District, contained in the Official Statement fairly represent the financial position and operating results of the District as of the dates and for the periods set forth therein. Since the date of the Preliminary Official Statement, there has been no adverse change of a material nature in such financial position, results of operation or condition, financial or otherwise, of the District. The District is not a party to any litigation or other proceeding pending or, to its knowledge, threatened which, if decided adversely to the District, would have a materially adverse effect on the financial condition of the District.

9. **Representations, Warranties and Covenants of the County.** The County represents, warrants and covenants to the Underwriter that:

A. The County has the power under the Constitution and laws of the State to issue the Bonds in the name and on behalf of the District.

B. (i) The County has full legal right, power and authority to enter into this Purchase Agreement, to adopt the County Resolution, to issue and deliver the Bonds to the Underwriter on behalf of the District and to perform its obligations under each such document or instrument; (ii) the execution and delivery or adoption of, and the performance by the County of its obligations contained in the Bonds, the County

Resolution, the Paying Agent Agreement and this Purchase Agreement have been duly authorized; and (iii) this Purchase Agreement constitutes a valid and legally binding obligation of the County, enforceable against the County in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and to principles of equity relating to or affecting the enforcement of creditors' rights.

C. To the best knowledge of the County, as of the time of acceptance hereof, no action, suit, hearing or investigation is pending in which service of process has been completed on the County or, threatened against the County: (i) in any way affecting the existence of the County or in any way challenging the respective powers of the officers of the County; or (ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, or the collection of the *ad valorem* taxes pledged or to be pledged or available to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Agreement, the Paying Agent Agreement or the County Resolution or contesting the powers of the County or its authority with respect to the Bonds, this Purchase Agreement, the Paying Agent Agreement or the County Resolution; or (iii) in which a final adverse decision would declare this Purchase Agreement to be invalid or unenforceable in whole or in material part.

D. Between the date hereof and the Closing, without the prior written consent of the Underwriter, the County will not issue in the name and on behalf of the District any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in the Official Statement.

E. Any certificates signed by an authorized officer of the County and delivered to the Underwriter shall be deemed a representation and warranty by the County to the Underwriter, but not by the person signing the same, as to the statements made therein.

10. **Conditions to Closing.** The Underwriter has entered into this Purchase Agreement in reliance upon the representations and warranties of the District and the County contained herein and the performance by the District and the County of their respective obligations hereunder and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the date of Closing. The County and the District have entered into this Purchase Agreement in reliance upon the representations and warranties of the Underwriter contained herein and the performance by the Underwriter of its obligations hereunder and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the date of Closing. Accordingly, the Underwriter's obligations under this Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds are and shall be conditioned upon the performance by the District and the County, respectively, of their obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject at the option of the Underwriter, to the following further conditions, including the delivery by the District and the County of such documents and instruments as are enumerated below, in form and substance satisfactory to the Underwriter. The obligations on the part of the District and the County to deliver the Bonds and the various documents, instruments, certificates and opinions described below are conditioned upon the performance by the Underwriter of its obligations to be performed hereunder and under such documents, instruments and certificates as the Underwriter is required to deliver at or prior to Closing, as enumerated below.

A. The representations and warranties of the District and the County contained herein shall be true, complete and correct in all material respects at the date hereof and at and as of the Closing, as if made at and as of the Closing, and the statements made in all certificates and other documents delivered to the Underwriter at the Closing pursuant hereto shall be true, complete and correct in all material respects on the date of the Closing; and the District and the County shall be in compliance with each of the agreements made by them, individually, in this Purchase Agreement;

B. At the time of the Closing, (i) this Purchase Agreement and the Resolutions shall be in full force and effect and each of said documents together with the Official Statement shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter (which writing may be by email, telecopy or other electronic means); (ii) all actions under the Act which, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; and (iii) the District shall perform or have performed all of its obligations required under or specified in the Resolutions or this Purchase Agreement to be performed at or prior to the Closing;

C. No decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Purchase Agreement (and not reversed on appeal or otherwise set aside), or to the best knowledge of the District, be pending or threatened, which has any of the effects described in Section 8.E. hereof, or contesting in any way the completeness or accuracy of the Official Statement;

D. Between the date hereof and the Closing, the market price for the Bonds, or the market for or marketability of the Bonds at the initial offering prices set forth in the Official Statement, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall not have been materially adversely affected in the reasonable professional judgment of the Underwriter (evidenced by a written notice to the County and the District terminating the obligation of the Underwriter to accept delivery of and pay for the Bonds) by reason of any of the following:

(1) legislation enacted by the Congress of the United States, or passed by either House of the Congress, or favorably reported for passage to either House of the Congress by any Committee of such House to which such legislation has been referred for consideration, or by the legislature of the State of California (the "State"), or introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court of the United States or the State or by the United States Tax Court, or an order, regulation (final, temporary or proposed) or official statement issued or made:

(i) by or on behalf of the United States Treasury Department, or by or on behalf of the Internal Revenue Service or other federal or State authority, which would have the purpose or effect of changing, directly or indirectly, the federal income tax consequences or State tax consequences of interest on obligations of the general character of the Bonds in the hands of the holders thereof or the value, transferability, availability or amount of the tax credit to the holders thereof as described in the Official Statement; or

- (ii) by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, to the effect that the Bonds (including the Tax Credit Certificates related thereto), or obligations of the general character of the Bonds, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended;
- (2) the declaration of war or new engagement in or material escalation of major military hostilities by the United States or the occurrence of any other national or international emergency or calamity or crisis interfering with the effective operation of the government or the financial community in the United States;
- (3) the declaration of a general banking moratorium by federal, New York or State authorities having jurisdiction, or the general suspension of trading on any national securities exchange or general fixing of minimum or maximum prices for trading or maximum ranges for prices for securities on any national securities exchange, whether by virtue of a determination by that exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction;
- (4) the imposition by the New York Stock Exchange, other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds, or obligations of the general character of the Bonds, or securities generally, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, underwriters such as, and including, the Underwriter;
- (5) an order, decree or injunction of any court of competent jurisdiction, or order, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, as contemplated hereby, is or would be in violation of the Federal securities laws, as amended and then in effect;
- (6) there shall have occurred or any notice shall have been given of any downgrade, suspension, withdrawal, or negative change in credit watch status by any national rating service of any of the District's outstanding indebtedness [or any rating of the Insurer];
- (7) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material adverse respect any material statement or information set forth in the Official Statement, including, but not limited to, any materially adverse change in the affairs or financial condition of the District or results in an omission to state a material fact required to be stated therein or necessary to make the statements made

therein, in light of the circumstances under which they were made, not misleading;

(8) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds, including the underlying obligations as contemplated by this Purchase Agreement or by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws at the Closing, including the Securities Act, the Exchange Act and the Trust Indenture Act;

(9) any state Blue Sky or securities commission, or other governmental agency or body, shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto;

(10) any amendment shall have been made to the federal or State Constitution or action by any federal or State court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the District, its property, income securities (or interest thereon) or the validity or enforceability of the levy of taxes to pay principal of and interest on the Bonds; or

(11) the purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission.

E. At or prior to the date of the Closing, the Underwriter shall receive an original of each of the following documents, in each case dated as of the Closing Date (unless otherwise noted below) and satisfactory in form and substance to the Underwriter:

(1) An approving opinion of Bond Counsel, addressed to the District;

(2) A reliance letter from Bond Counsel to the effect that the Underwriter may rely upon the approving opinion described in E(1) above;

(3) A supplemental opinion from Bond Counsel, addressed to the Underwriter, to the effect that:

(a) this Purchase Agreement has been duly executed and delivered by the District and the County and, assuming due authorization, execution and delivery by the Underwriter, is a valid and binding agreement of the District and the County, subject to laws relating to bankruptcy, insolvency, reorganization, moratorium or creditors' rights generally and to the application of equitable principles and to the exercise of judicial discretion in appropriate cases and to the limitation on legal remedies against school districts and counties in the State of California;

(b) the statements contained in the Official Statement in the sections thereof entitled: "INTRODUCTION," "THE BONDS" and "TAX MATTERS," insofar as such statements purport to summarize certain provisions of the Bonds, the Paying Agent Agreement, the District Resolution and the County Resolution and the Bond Counsel opinion on the tax status of the Bonds for federal and State income tax purposes, are accurate in all material respects;

(c) the Bonds (including the Tax Credit Certificates related thereto) are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolutions are exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

(4) A certificate or certificates signed by an appropriate official of the District to the effect that (i) such official is authorized to execute this Purchase Agreement, (ii) the representations, agreements and warranties of the District herein are true and correct in all material respects as of the date of Closing, (iii) the District has taken all actions required to be taken by it in order to authorize the issuance and delivery of the Bonds; (iv) the District has complied with all the terms of the District Resolution and this Purchase Agreement to be complied with by the District prior to or concurrently with the Closing and such documents are in full force and effect, (v) such official has reviewed the Official Statement and on such basis certifies that the Official Statement does not contain any untrue statements of a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading and (vi) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or public body, pending or, to his or her knowledge, threatened against the District contesting in any way the completeness or accuracy of the Official Statement, the issuance of the Bonds by the County on behalf of the District or the due adoption of the District Resolution;

(5) A tax certificate of the District in form satisfactory to Bond Counsel;

(6) Evidence satisfactory to the Underwriter that the Bonds shall have been: [(i) rated "____" by Standard & Poor's ("S&P") and "____" by Moody's Investors Service ("Moody's"), based upon the issuance of the Insurance Policy by the Insurer and (ii)] assigned underlying ratings of "____" by S&P and "____" by Moody's (or such other equivalent rating as such rating agency may give) and that such ratings have not been revoked or downgraded;

(7) A certificate, together with fully executed copies of the District Resolution, of the Secretary of the District Board of Education to the effect that:

(i) such copies are true and correct copies of the District Resolution;
and

(ii) that the District Resolution was duly adopted and has not been modified, amended, rescinded or revoked and is in full force and effect on the date of the Closing.

(8) An opinion of Counsel to the District, to the effect that:

(i) The District is a unified school district organized under the California Education Code and the laws of the State of California, has full legal right, power and authority to enter into all documents in connection with the offering and sale of the Bonds, to adopt the District Resolution and to carry out and consummate all transactions contemplated thereby and by proper action has duly authorized the execution and delivery and due performance of this Purchase Agreement, the Official Statement, the Paying Agent Agreement and the District Resolution;

(ii) This Purchase Agreement and the Paying Agent Agreement have been duly authorized, executed and delivered by the District, and, assuming due authorization, execution and delivery by the other parties thereto, this Purchase Agreement, the Paying Agent Agreement and the District Resolution constitute legal, valid and binding obligations of the District enforceable in accordance with their respective terms;

(iii) The execution and delivery of this Purchase Agreement and the Paying Agent Agreement, the adoption of the District Resolution and the consummation of the transactions therein contemplated will not and do not violate any provision of the law, or to the best of Counsel to the District's knowledge, any order of any court or other agency of government, or any indenture, material agreement or other instrument to which the District is now a party or by which it or any of its properties or assets are bound, and, to the best of Counsel to the District's knowledge, will not and do not conflict with, result in a breach of or constitute a default (with due notice or the passage of time or both) under any such indenture, agreement or other instrument, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the District;

(iv) The adoption of the District Resolution and the execution and delivery of this Purchase Agreement and the Paying Agent Agreement and compliance with the provisions thereof, under the circumstances contemplated thereby, does not and will not, in any respect which will have a material adverse impact on the transactions contemplated by the District Resolution, the Paying Agent Agreement and this Purchase Agreement, conflict with, or constitute on the part of the District a breach of or default under, any material agreement or other instrument to which the District is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the District is subject (excluding, however, any opinion as to compliance with any applicable federal securities laws);

(v) No additional authorization, approval, consent, waiver or any other action by any person, board or body, public or private, not previously obtained is required as of the date hereof for the District to

adopt the District Resolution or enter into this Purchase Agreement or the Paying Agent Agreement or to perform its obligations thereunder;

(vi) Counsel to the District knows of no litigation, proceeding, action, suit or investigation at law or in equity before or by any court, governmental agency or body, pending or to its best knowledge threatened, against the District challenging the creation, organization or existence of the District, or the validity of this Purchase Agreement or the Paying Agent Agreement, the completeness or accuracy of the Official Statement, seeking to restrain or enjoin adoption of the District Resolution or in any way contesting or affecting the validity of the District Resolution, the Paying Agent Agreement, this Purchase Agreement, or any of the transactions referred to therein or contemplated thereby or contesting the authority of the District to enter into or perform its obligations under the District Resolution, this Purchase Agreement, the Paying Agent Agreement, or under which a determination adverse to the District would have a material adverse affect upon the financial condition or the revenues of the District, or which, in any manner, questions or affects the right or ability of the District to adopt the District Resolution or enter into this Purchase Agreement or the Paying Agent Agreement; and

(vii) The information relating to the District and contained in the Preliminary Official Statement was as of its date, and the information relating to the District and contained in the Official Statement is true and correct in all material respects, and the information relating to the District and contained in the Preliminary Official Statement and the information relating to the District and contained in the Official Statement contain no misstatement of any material fact and do not omit any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading.

(9) An opinion of County Counsel, addressed to the County, to the District and the Underwriter, in substantially the form of Exhibit B attached hereto;

(10) An originally executed copy of the adopted County Resolution or a certificate, together with a fully executed copy of the County Resolution, of the Executive Officer-Clerk of the County Board of Supervisors to the effect that:

(a) such copy is a true and correct copy of the County Resolution;
and

(b) that the County Resolution was duly adopted;

(11) A “deemed final” certificate of the appropriate official of the District with respect to the Preliminary Official Statement in accordance with the Rule;

- (12) The Continuing Disclosure Certificate, in substantially the form appended to the Preliminary Official Statement, signed by an appropriate official of the District and the Dissemination Agent, if any;
- (13) A certificate of the Paying Agent, signed by a duly authorized officer of the Paying Agent, and in form and substance satisfactory to the Underwriter, to the effect that, to the best of such officer's knowledge, no litigation is pending or threatened (either in state or federal courts) (A) seeking to restrain or enjoin the delivery by the Paying Agent of any of the Bonds, or (B) in any way contesting or affecting any authority of the Paying Agent for the delivery of the Bonds or the validity or enforceability of the Bonds or any agreement with the Paying Agent;
- (14) A Receipt of the County for the purchase price of the Bonds;
- (15) A certificate signed by an appropriate official of the County to the effect that (i) such official is authorized to execute this Purchase Agreement, (ii) the representations, agreements and warranties of the County herein are true and correct in all material respects as of the date of Closing, (iii) the County has taken all actions required to be taken by it in order to authorize the issuance and delivery of the Bonds; (iv) the County has complied with all the terms of the County Resolution and this Purchase Agreement to be complied with by the County prior to or concurrently with the Closing and such documents are in full force and effect, (v) the Official Statement under the caption, "APPENDIX E: THE LOS ANGELES COUNTY POOLED SURPLUS INVESTMENTS" to the best of his or her knowledge does not contain any untrue statements of a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading and (vi) the Bonds being delivered on the date of the Closing to the Underwriter under this Purchase Agreement substantially conform to the descriptions thereof contained in the County Resolution and (vii) to the best of his or her knowledge, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or public body, pending or threatened against the County contesting in any way the completeness or accuracy of the provisions in the Official Statement pertaining to the County, the issuance of the Bonds by the County on behalf of the District or the due adoption of the County Resolution;
- (16) The receipt of the Underwriter for the Bonds;
- (17) Reoffering price certificate of the Underwriter, in a form satisfactory to Bond Counsel;
- (18) A certificate of the Underwriter acknowledging satisfaction of all conditions to Closing herein, or the waiver of any conditions not so satisfied;
- (19) [A municipal bond insurance policy issued by _____, as Insurer, with respect to the Bonds, together with an opinion from general counsel to such Insurer as to the enforceability thereof and a Certificate issued

by such Insurer regarding the description of the Insurer in the Official Statement and certain other matters;]

(20) An opinion of counsel to the Underwriter in form and substance satisfactory to the Underwriter; and

(21) Evidence that the District has received an allocation of Qualified School Construction Bond authority for calendar year 2009 pursuant to Section 54A of the Code in an amount at least equal to the principal amount of the Bonds; and

(22) Such additional legal opinions, certificates, proceedings, instruments, and other documents as the Underwriter or Bond Counsel may reasonably request in order to evidence compliance (i) by the District with legal requirements, (ii) the truth and accuracy, as of the time of Closing, of the representations of the District herein contained and of the Official Statement, and (iii) the due performance or satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the District.

If the County or the District shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement may be cancelled by the Underwriter at, or at any time prior to, the time of Closing. Notice of such cancellation shall be given to the County and the District in writing or by telephone or telecopy, confirmed in writing. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the District hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriter may be waived by the Underwriter in writing at its sole discretion.

11. Conditions to Obligations of the County and the District. The performance by the County and the District of their respective obligations under this Purchase Agreement is conditioned upon (i) the performance by the Underwriter of its obligations hereunder; and (ii) receipt by the County, the District and by the Underwriter of opinions and certificates being delivered at the Closing by persons and entities other than themselves.

12. Expenses. (a) The Underwriter shall pay the following costs of issuance of the Bonds in an amount not exceeding \$_____, from reoffering premium: (i) the fees and disbursements of Bond Counsel and Disclosure Counsel; (ii) the cost of the preparation, printing and delivery of the Bonds; (iii) the fees, if any, for Bond ratings, including all necessary expenses related to obtaining such ratings; (iv) the cost of the printing and distribution of the Official Statement; (v) the fees of the Paying Agent and (vi) all other fees and expenses incident to the issuance and sale of Bonds. Any expenses owing following the depletion of said amount shall be paid by the District. [In addition, the Underwriter shall pay the bond insurance premium of \$_____ from retained original issue premium on the Closing Date by separate wire to the Insurer.]

(b) The Underwriter shall pay all of its out-of-pocket expenses, including: (1) clearing house fees; (2) DTC fees; (3) CUSIP Bureau charges; (4) fees of the California Debt and Investment Advisory Commission; (5) Securities Industry and Financial Markets Association fees; (6) MSRB fees related to the within transaction, if any; (7) the costs associated with qualifying the Bonds

under applicable Blue Sky requirements and/or legal investment surveys, if any; (8) fees of Underwriter's Counsel; and (9) travel and other expenses not specified in clauses (i) through (vi) above.

13. **Notices.** Any notice or other communication to be given under this Purchase Agreement (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing, if to the County, to the Treasurer and Tax Collector, County of Los Angeles, 432 Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, California 90012; if to the District, to the Superintendent of Little Lake City School District, 10515 South Pioneer Boulevard, Santa Fe Springs, California 90670, or if to the Underwriter, to RBC Capital Markets Corporation, 777 South Figueroa Street, Suite 850, Los Angeles, California 90017, Attn: Roderick A. Carter.

14. **Parties In Interest; Survival of Representations and Warranties.** This Purchase Agreement when accepted by the County and the District in writing as heretofore specified shall constitute the entire agreement among the County, the District and the Underwriter. This Purchase Agreement is made solely for the benefit of the County, the District and the Underwriter (including the successors or assigns of the Underwriter). No person shall acquire or have any rights hereunder or by virtue hereof. All the representations, warranties and agreements of the County or the District in this Purchase Agreement shall survive regardless of (a) any investigation of any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of and payment by the Underwriter for the Bonds hereunder, and (c) any termination of this Purchase Agreement.

15. **Execution in Counterparts.** This Purchase Agreement may be executed in several counterparts each of which shall be regarded as an original and all of which shall constitute but one and the same document.

16. **Integration.** This Purchase Agreement, including the exhibits hereto, constitutes the entire agreement among the parties and between any of them, relating to the Bonds, and supersedes all prior agreements and understandings, whether oral or written, concerning the purchase, sale, delivery and terms of payment and redemption, of the Bonds.

[Remainder of Page Intentionally Left Blank]

17. **Applicable Law.** This Purchase Agreement shall be interpreted, governed and enforced in accordance with the law of the State of California applicable to contracts made and performed in such State.

Very truly yours,

RBC CAPITAL MARKETS CORPORATION

By _____
Roderick A. Carter
Managing Director

The foregoing is hereby agreed to and accepted as of the date first above written:

LITTLE LAKE CITY SCHOOL DISTRICT

By _____
Dr. Phillip Perez
Superintendent

COUNTY OF LOS ANGELES

By _____
Mark J. Saladino
Treasurer and Tax Collector

Approved as to form:

ROBERT E. KALUNIAN
Acting County Counsel

By _____
Principal Deputy County Counsel

Accepted at ____ a.m./p.m. Pacific Daylight Time on this ____ day of _____, 2009.

EXHIBIT A

REDEMPTION PROVISIONS [TO BE UPDATED]

The Tax Credit Bonds are not subject to optional or mandatory sinking fund redemption prior to their stated maturity. The principal of all of the Tax Credit Bonds matures on ____ 15, 20__.

The Bonds are subject to extraordinary mandatory redemption, in whole or in part, on ____ 15, 20__, or, in the event of an extension negotiated with the IRS, on or after ____ 16, 20__ and before ____ 15, 20__, in authorized denominations, at a redemption price equal to the principal amount of the Bonds called for redemption, in an amount equal to the unexpended proceeds of the sale of the Bonds held by the District, but only to the extent that the District fails to expend all of the proceeds of the Bonds within three years of issuance thereof and no extension of the period for expenditure has been granted by the IRS.

Upon a Determination of Loss of Qualified School Construction Bond Status (as defined below) the Bonds are subject to extraordinary mandatory redemption prior to their fixed maturity date, in whole, on the date designated by the District, which date shall be a date on or prior to the [January 15] following the next succeeding [August 1] after a Determination of Loss of Qualified School Construction Bond Status, at a redemption price equal to (i) the principal amount of the Bonds to be redeemed, plus, (ii) if the Redemption Premium is a positive number, the Redemption Premium, plus (iii) accrued interest on (i) and (ii) (calculated at the Tax Credit Rate) from the last Tax Credit Date immediately preceding the redemption date to the date of redemption.

In addition, in the event that any Tax Credits previously recognized by Owners are determined to be ineligible as Tax Credits as a result of the loss of status of the Bonds as Qualified School Construction Bonds under the Code, the redemption price shall include an additional amount equal to the amount of such Tax Credits, plus interest thereon from the date of such Tax Credits to the date of redemption, at a rate equal to the large corporate underpayment rate determined from time to time by the Internal Revenue Service. The registration books maintained by the Paying Agent shall be utilized to determine the Owners which are entitled to payment of the amounts described in this paragraph.

In the event that the ownership of the Tax Credit Certificates affixed to the Bonds has been separated from the ownership of the Bonds and registered separately, the Tax Credit Strips related to the redeemed Principal Strips will be called for redemption in the same manner as the Bonds pursuant to the foregoing, and the redemption price therefor will be allocated to the Principal Strips and the Tax Credit Strips in the proportions and values set forth in "APPENDIX [] – TABLE OF REDEMPTION VALUES."

The term "Date of Loss of Qualified School Construction Bond Status" means the date specified in a Determination of Loss of Qualified School Construction Bond Status as the date from and after which the Bonds lost their status, or failed to qualify, as Qualified School Construction Bonds as a result of an Accountable Event of Loss of Qualified School Construction Bond Status, which date could be as early as the date of issuance of the Bonds.

The term "Determination of Loss of Qualified School Construction Bond Status" means (a) a final determination by the IRS (after the District has exhausted all administrative appeal

remedies) determining that an Accountable Event of Loss of Qualified School Construction Bond Status has occurred and specifying the Date of Loss of Qualified School Construction Bond Status, or (b) a non-appealable holding by a court of competent jurisdiction holding that an Accountable Event of Loss of Qualified School Construction Bond Status has occurred and specifying the Date of Loss of Qualified School Construction Bond Status.

The term "Accountable Event of Loss of Qualified School Construction Bond Status" means (a) any act or any failure to act on the part of the District or the County, which act or failure to act is a breach of a covenant or agreement of the District or the County contained in the District Resolution, the Bond Resolution, the Paying Agent Agreement, the Tax Certificate respecting the issuance of the Bonds, or the Bonds and which act or failure to act causes the Bonds to lose their status, or fail to qualify, as Qualified School Construction Bonds, or (b) the making by the District or the County of any representation contained in the District Resolution, the Bond Resolution, the Paying Agent Agreement, the Tax Certificate or the Bonds, which representation was untrue when made and the untruth of which representation at such time causes the Bonds to lose their status, or fail to qualify, as Qualified School Construction Bonds under the Code.

"Redemption Premium" means, as calculated by the District (or, at the District's option, its Designated Investment Banker), the greater of (x) zero and (y)(a) the sum of the present values of the remaining scheduled payments of principal of and Tax Credits related to the Bonds to be so redeemed (exclusive of interest accrued to the date of redemption) discounted to the date of redemption on a semiannual basis (assuming a 360-day year consisting of 12 months of 30 days each) at a rate per annum equal to the Treasury Rate, minus (b) the principal amount of the Bonds to be so redeemed.

For the purpose of determining the Treasury Rate, the following definitions apply:

"Treasury Rate" means the rate per annum, expressed as a percentage of the principal amount, equal to the semiannual equivalent yield to maturity or interpolated maturity of the Comparable Treasury Issue, assuming that the Comparable Treasury Issue is purchased on the redemption date for a price equal to the Comparable Treasury Price, as calculated by the Designated Investment Banker.

"Comparable Treasury Issue" means the U.S. Treasury security or securities selected by the Designated Investment Banker which has an actual or interpolated maturity comparable to the remaining average life, as of the redemption date, of the Bonds to be redeemed, and that would be utilized in accordance with customary financial practice in pricing new issues of debt securities of comparable maturity to the remaining average life, as of the redemption date, of the Tax Credit Bond to be redeemed.

"Comparable Treasury Price" means (a) if the Designated Investment Banker receives at least four Reference Treasury Dealer Quotations, the average of such quotations for the date on which such Bonds are to be redeemed, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (b) if the Designated Investment Banker obtains fewer than four Reference Treasury Dealer Quotations, the average of all such quotations.

"Designated Investment Banker" means one of the Reference Treasury Dealers designated by the District.

“Reference Treasury Dealer” means the original underwriters of the Bonds, their successors and other firms, as specified by the District from time to time, that are primary U.S. government securities dealers in the City of New York, New York; provided, however, that if any such firm ceases to be such a primary treasury dealer, the District will substitute another primary treasury dealer for such firm.

“Reference Treasury Dealer Quotations” means, with respect to each Reference Treasury Dealer, the average, as determined by the Designated Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Designated Investment Banker by such Reference Treasury Dealer at [3:30 p.m., New York City time], on the third business day preceding the date on which such Bonds are to be redeemed.

[Remainder of Page Intentionally Left Blank]

EXHIBIT B

OPINION OF COUNTY COUNSEL

[Closing Date]

County of Los Angeles
500 West Temple Street
Los Angeles, California 90012

Little Lake City School District
10515 S. Pioneer Boulevard
Santa Fe Springs, California 90670

RBC Capital Markets Corporation
777 South Figueroa Street, Suite 850
Los Angeles, California 90017

Re: \$ _____ Little Lake City School District (County of Los Angeles, California)
Election of 2000 General Obligation Bonds, Series ____ (2009) Qualified School Construction
Bonds (Tax Credit Bonds)

Ladies and Gentlemen:

This opinion is rendered and delivered in connection with the issuance by the Board of Supervisors of the County of Los Angeles (the "County") on behalf of the Little Lake City School District (the "District") of \$ _____ aggregate principal amount of bonds designated "Little Lake City School District (County of Los Angeles, California) Election of 2000 General Obligation Bonds, Series ____ (2009) Qualified School Construction Bonds (Tax Credit Bonds) (the "Bonds"). The Bonds are being issued pursuant to a resolution of the Board of Supervisors of the County of Los Angeles, California adopted on _____, 2009 (the "County Resolution"), at the request of the District made pursuant to resolution adopted on _____, 2009, by the District (the "District Resolution").

In rendering this opinion, we have examined the County Resolution, the Bond Purchase Agreement, dated _____, 2009 (the "Purchase Agreement"), by and among the District, the County and RBC Capital Markets Corporation, as underwriter, and such other documents, records and instruments and made such investigations of law and fact as we have deemed necessary to render the opinions expressed herein.

Based upon the foregoing, and solely with respect to the laws of the State of California (the "State"), we are of the opinion, as of the date hereof, that:

1. The County is a political subdivision duly organized and validly existing under the Constitution and the laws of the State of California;

2. The County Resolution approving and authorizing the execution, sale and delivery of the Purchase Agreement and the issuance of the Bonds was duly adopted at a meeting of the governing body of the County, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting at the time of adoption, has not been modified, amended, rescinded or revoked and is in full force and effect on the date hereof;

3. To the best of our knowledge, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public agency or body pending, in which service of process has been completed, or threatened against the County (a) affecting the existence of the County or the titles of its officers who have acted with respect to the proceedings for issuance and sale of the Bonds to their respective offices; (b) seeking to prohibit, restrain or enjoin the execution of the Purchase Agreement or the issuance of the Bonds or in any way contesting or affecting the validity or enforceability of the Bonds, the Purchase Agreement, or the County Resolution; (c) contesting the powers of the County or its authority to enter into, adopt or perform its obligations under the County Resolution or the Purchase Agreement; or (d) seeking to restrain or enjoin the levy or collection of tax revenues pledged for payment of the Bonds.

4. The Purchase Agreement has been duly authorized, executed and delivered by the County and the Bonds have been duly authorized by the County, executed by the County on behalf of the District and delivered by the County and, assuming due authorization, execution and delivery by the other parties thereto, the Purchase Agreement will constitute the legal, valid and binding agreement of the County enforceable against the County in accordance with its terms.

With respect to the opinions we have expressed above, enforcement of the rights and obligations under the County Resolution, the Purchase Agreement and the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights generally, by the application of equitable principles if equitable remedies are sought, and by limitations on legal remedies imposed in actions against public entities in the State. We express no opinion as to the availability of equitable remedies in connection with enforcement of the County Resolution, the Purchase Agreement or the Bonds.

Very truly yours,

ROBERT E. KALUNIAN
Acting County Counsel

By:

CAMMY C. DUPONT
Principal Deputy County Counsel
Government Services Division

EXHIBIT C

(Form of Current Interest Bond)

REGISTERED
NO.

REGISTERED
\$

LITTLE LAKE CITY SCHOOL DISTRICT
(LOS ANGELES COUNTY, CALIFORNIA)
ELECTION OF 2000 GENERAL OBLIGATION BONDS, SERIES D

INTEREST RATE: MATURITY DATE: DATED AS OF: CUSIP
___% per annum August 1, 20___ _____, 2009 _____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____

The Little Lake City School District (the "District") in Los Angeles County, California (the "County"), for value received, promises to pay to the Registered Owner (as defined below) named above, or registered assigns, the Principal Amount on the Maturity Date, each as stated above, and interest thereon until the Principal Amount is paid or provided for at the Interest Rate stated above, on February 1 and August 1 of each year (the "Bond Payment Dates"), commencing February 1, 2010. This bond will bear interest from the Bond Payment Date next preceding the date of authentication hereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to the Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before January 15, 2010, in which event it shall bear interest from its Dated Date. Interest on this bond shall be computed on the basis of a 360-day year of twelve 30-day months. Principal and interest are payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this bond (or, if applicable, one or more predecessor bonds) is registered (the "Registered Owner") on the register maintained by the Paying Agent, initially U.S. Bank National Association, as agent of the Treasurer and Tax Collector of the County of Los Angeles. Principal is payable upon presentation and surrender of this bond at the principal office of the Paying Agent. Interest is payable by check or draft mailed by the Paying Agent on each Bond Payment Date to the Registered Owner of this bond (or one or more predecessor bonds) as shown and at the address appearing on the register at the close of business on the 15th day of the calendar month next preceding that Bond Payment Date (the "Record Date"). The Owner of Current Interest Bonds in the aggregate principal amount of One Million Dollars (\$1,000,000) or more may request in writing to the Paying Agent that the Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date.

This bond is one of an authorization of \$ _____ of bonds approved for the purpose of raising money for the purposes authorized by the voters of the District at the Election, as defined below; and to pay all necessary legal, financial, engineering and contingent costs in connection therewith under authority of and pursuant to the laws of the State of California, in particular Chapter 1 of Part 10 of Division 1 of Title 1 (commencing with Section 15100 *et seq.*) of the California Education Code, the requisite two-thirds vote of the voters of the District cast at an

election held on March 7, 2000 (the "Election"), upon the question of issuing bonds in the amount of \$34,000,000, the resolution of the Board of Education of the District adopted on October 13, 2009 (the "District Resolution") and the resolution of the County Board of Supervisors adopted on _____, 2009 (the "Bond Resolution"). This bond and the issue of which this bond is one are payable as to both principal and interest from the proceeds of the levy of *ad valorem* taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount. The bonds of this issue are general obligations of the District and do not constitute an obligation of the County except as provided in the Bond Resolution. No part of any fund of the County is pledged or obligated to the payment of the bonds of this issue.

The bonds of this issue comprise (i) \$ _____ principal amount of Current Interest Bonds, of which this bond is a part (each, a "Current Interest Bond"), (ii) Capital Appreciation Bonds of which \$ _____ represents the principal amount and \$ _____ represents the Maturity Value, and (iii) Convertible Capital Appreciation Bonds, of which \$ _____ represents the principal amount and \$ _____ represents the Conversion Value.

This bond is exchangeable and transferable for bonds of like tenor, maturity and Transfer Amount (as defined in the Bond Resolution) and in authorized denominations at the principal office of the Paying Agent in Los Angeles, California, by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the Bond Resolution. All fees and costs of transfer shall be paid by the transferor. The District, the County and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District, the County nor the Paying Agent shall be affected by any notice to the contrary.

Neither the District, the County nor the Paying Agent will be required (a) to issue or transfer any bond during a period beginning with the opening of business on the 15th day of the month next preceding either any Bond Payment Date or the 15th day preceding any date of selection of bonds to be redeemed and ending with the close of business on the Bond Payment Date or day on which the applicable notice of redemption is given or (b) to transfer any bond which has been selected or called for redemption in whole or in part.

The Current Interest Bonds maturing on or before August 1, 20__ are not subject to redemption prior to their fixed maturity dates. The Current Interest Bonds maturing on or after August 1, 20__ are subject to redemption at the option of the District, as a whole or in part, on any date on or after August 1, 20__, at a redemption price equal to 100% of the principal amount of the Current Interest Bonds called for redemption plus interest accrued thereon to the date fixed for redemption, without premium.

The Current Interest Bonds maturing on August 1, 20__ are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, 20__, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium. The principal amount represented by such Bonds to be so redeemed and the dates therefor and the final principal payment date is as indicated in the following table:

Redemption Date (August 1)	<u>Principal Amount</u>
(1)	\$
TOTAL	\$
<hr/>	
(1) Maturity.	

If less than all of the bonds of any one maturity shall be called for redemption, the particular bonds or portions of bonds of such maturity to be redeemed shall be selected by lot by the District in such manner as the District in its discretion may determine; provided, however, that the portion of any bond to be redeemed shall be in the principal amount of Five Thousand Dollars (\$5,000) or some multiple thereof. If less than all of the bonds stated to mature on different dates shall be called for redemption, the particular bonds or portions thereof to be redeemed shall be called in any order of maturity selected by the District or, if not so selected, in the inverse order of maturity.

Reference is made to the Bond Resolution for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the bonds of this series, the rights, duties and obligations of the District, the County, the Paying Agent and the Registered Owners, and the terms and conditions upon which the bonds are issued and secured. the registered Owner of this bond assents, by acceptance hereof, to all of the provisions of the Bond Resolution.

It is certified and recited that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the bonds in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that payment in full for the bonds has been received; and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due.

This bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication below has been signed.

[REMAINDER OF THIS PAGE LEFT BLANK]

IN WITNESS WHEREOF, the County of Los Angeles, California, has caused this bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signatures of the Chairman of the Board of Supervisors of the County and the Treasurer and Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Executive Officer-Clerk of the County Board all as of the date stated above.

COUNTY OF LOS ANGELES, CALIFORNIA

By: _____
Chairman of the Board of Supervisors

By: _____
Treasurer and Tax Collector

COUNTERSIGNED:

Executive Officer-Clerk
of the Board of Supervisors

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the Bond Resolution referred to herein which has been authenticated and registered on _____, 2009.

TREASURER AND TAX COLLECTOR OF
LOS ANGELES COUNTY, as Paying Agent

By: U.S. BANK NATIONAL ASSOCIATION, as
agent

By: _____
Authorized Signatory

QUALIFIED TAX-EXEMPT OBLIGATION

This Bond has been designated a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, by resolution of the District.

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address and zip code of Transferee): _____ this bond and irrevocably constitutes and appoints attorney to transfer this bond on the books for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the within bond in every particular, without alteration or any change whatever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: _____

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

provided in the Bond Resolution. No part of any fund of the County is pledged or obligated to the payment of the bonds of this issue.

The bonds of this issue comprise (i) \$_____ principal amount of Current Interest Bonds, (ii) Capital Appreciation Bonds, of which this Bond is a part, and of which \$_____ represents the principal amount and \$_____ represents the Maturity Value, and (iii) Convertible Capital Appreciation Bonds, of which \$_____ represents the principal amount and \$_____ represents the Conversion Value.

This bond is exchangeable and transferable for bonds of like tenor, maturity and Transfer Amount (as defined in the Bond Resolution) and in authorized denominations at the principal office of the Paying Agent in Los Angeles, California, by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the Bond Resolution. All fees and costs of transfer shall be paid by the transferor. The District, the County and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District, the County nor the Paying Agent shall be affected by any notice to the contrary.

Neither the District, the County nor the Paying Agent will be required (a) to issue or transfer any bond during a period beginning with the opening of business on the 15th day of the month next preceding any Bond Payment Date or the 15th day preceding any date of selection of bonds to be redeemed and ending with the close of business on the Bond Payment Date or day on which the applicable notice of redemption is given or (b) to transfer any bond which has been selected or called for redemption in whole or in part.

The Capital Appreciation Bonds are not subject to redemption prior to maturity.

Reference is made to the Bond Resolution for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the Capital Appreciation Bonds of this Series, the rights, duties and obligations of the District, the County, the Paying Agent and the Registered Owners, and the terms and conditions upon which the bonds are issued and secured. The Registered Owner of this bond assents, by acceptance hereof, to all of the provisions of the Bond Resolution.

It is certified and recited that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the bonds in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that payment in full for the bonds has been received; and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due.

This bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication below has been signed.

IN WITNESS WHEREOF, the County of Los Angeles, California, has caused this bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signatures of the Chairman of the Board of Supervisors of the County and the Treasurer and Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Executive Officer-Clerk of the County Board all as of the date stated above.

COUNTY OF LOS ANGELES, CALIFORNIA

By: _____
Chairman of the Board of Supervisors

By: _____
Treasurer and Tax Collector

COUNTERSIGNED:

Executive Officer-Clerk
of the Board of Supervisors

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the Bond Resolution referred to herein which has been authenticated and registered on _____, 2009.

TREASURER AND TAX COLLECTOR OF
LOS ANGELES COUNTY, as Paying Agent

By: U.S. BANK NATIONAL ASSOCIATION, as
agent

By: _____
Authorized Signatory

QUALIFIED TAX-EXEMPT OBLIGATION

This Bond has been designated a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, by resolution of the District.

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address and ZIP code of Transferee): _____
this bond and irrevocably constitutes and appoints attorney to transfer this bond on the books for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or by any change whatever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: _____

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

(Form of Convertible Capital Appreciation Bond)

REGISTERED
NO.

REGISTERED
\$

LITTLE LAKE CITY SCHOOL DISTRICT
(LOS ANGELES COUNTY, CALIFORNIA)
ELECTION OF 2000 GENERAL OBLIGATION BONDS, SERIES D

<u>ACCRETION RATE TO CONVERSION DATE</u>	<u>CONVERSION DATE</u>	<u>INTEREST RATE AFTER THE CONVERSION DATE</u>	<u>MATURITY DATE:</u>	<u>DATED AS OF:</u>	<u>CUSIP</u>
_____	_____, 20__	_____	_____, 20__	_____, 2009	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

CONVERSION VALUE :

The Little Lake City School District (the "District") in Los Angeles County, California (the "County"), for value received, promises to pay to the Registered Owner named above, or registered assigns, the Conversion Value on the Maturity Date, each as stated above, such Conversion Value comprising the principal amount and interest accreted thereon to the Conversion Date. Prior to the Conversion Date, this bond will not bear current interest but will accrete interest, compounded on each February 1 and August 1, commencing February 1, 2010, at the Accretion Rate specified above to the Conversion Date, assuming that in any such semiannual period the sum of such compounded accreted interest and the principal amount (such sum being herein called the "Accreted Value") increases in equal daily amounts on the basis of a 360-day year consisting of twelve 30-day months. After the Conversion Date, the District promises to pay to the Registered Owner named above, interest on the Conversion Value from the Conversion Date until the Conversion Value is paid or provided for at the Interest Rate stated above, on February 1 and August 1 of each year (the "Bond Payment Dates"), commencing _____, 20__. This bond will bear such interest from the Bond Payment Date next preceding the date of authentication hereof unless it is authenticated as of a day during the period from the 15th day of the month next preceding any Bond Payment Date to the Bond Payment date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before _____ 15, 20__, in which event it will bear interest from the Conversion Date. Conversion Value and interest are payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this bond (or, if applicable, one or more predecessor bonds) is registered (the "Registered Owner") on the register maintained by the Paying Agent, initially U.S. Bank National Association, as agent of the Treasurer and Tax Collector of the Los Angeles County. Accreted Value and redemption premium, if any, are payable upon presentation and surrender of this bond at the principal office of the Paying Agent.

This bond is one of an authorization of \$_____ of bonds approved for the purpose of raising money for the purposes authorized by voters of the District at the Election, as defined below; and to pay all necessary legal, financial, engineering and contingent costs in connection therewith under authority of and pursuant to the laws of the State of California, in particular Chapter 1 of Part

10 of Division 1 of Title 1 (commencing with Section 15100 *et seq.*) of the California Education Code, the requisite two-thirds vote of the voters of the District cast at an election held on March 7, 2000 (the "Election"), upon the question of issuing bonds in the amount of \$34,000,000, the resolution of the Board of Education of the District adopted on October 13, 2009 (the "District Resolution") and the resolution of the County Board of Supervisors adopted on _____, 2009 (the "Bond Resolution"). This bond and the issue of which this bond is one are payable as to both principal and interest from the proceeds of the levy of *ad valorem* taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount. The bonds of this issue are general obligations of the District and do not constitute an obligation of the County except as provided in the Bond Resolution. No part of any fund of the County is pledged or obligated to the payment of the bonds of this issue.

The bonds of this issue comprise (i) \$ _____ principal amount of Current Interest Bonds, (ii) Capital Appreciation Bonds of which \$ _____ represents the principal amount and \$ _____ represents the Maturity Value, and (iii) Convertible Capital Appreciation Bonds, of which this bond is a part, and of which \$ _____ represents the principal amount and \$ _____ represents the Conversion Value.

This bond is exchangeable and transferable for bonds of like tenor, maturity and Transfer Amount (as defined in the Bond Resolution) and in authorized denominations at the principal office of the Paying Agent in Los Angeles, California, by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the Bond Resolution. All fees and costs of transfer shall be paid by the transferor. The District, the County and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District, the County nor the Paying Agent shall be affected by any notice to the contrary.

Neither the District, the County nor the Paying Agent will be required (a) to issue or transfer any bond during a period beginning with the opening of business on the 15th day of the month next preceding any Bond Payment Date or the 15th day preceding any date of selection of bonds to be redeemed and ending with the close of business on the Bond Payment Date or day on which the applicable notice of redemption is given or (b) to transfer any bond which has been selected or called for redemption in whole or in part.

The Convertible Capital Appreciation Bonds are not subject to redemption prior to maturity.

Reference is made to the Bond Resolution for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the Bonds of this Series, the rights, duties and obligations of the District, the County, the Paying Agent and the Registered Owners, and the terms and conditions upon which the bonds are issued and secured. The Registered Owner of this bond assents, by acceptance hereof, to all of the provisions of the Bond Resolution.

It is certified and recited that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the bonds in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that payment in full for the bonds has been received; and that due provision has been made for levying

and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due.

This bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication below has been signed.

[REMAINDER OF PAGE LEFT BLANK]

IN WITNESS WHEREOF, the County of Los Angeles, California, has caused this bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signatures of the Chairman of the Board of Supervisors of the County and the Treasurer and Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Executive Officer-Clerk of the County Board all as of the date stated above.

COUNTY OF LOS ANGELES, CALIFORNIA

By: _____
Chairman of the Board of Supervisors

By: _____
Treasurer and Tax Collector

COUNTERSIGNED:

Executive Officer-Clerk
of the Board of Supervisors

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the Bond Resolution referred to herein which has been authenticated and registered on _____, 2009.

TREASURER AND TAX COLLECTOR OF
LOS ANGELES COUNTY, as Paying Agent

By: U.S. BANK NATIONAL ASSOCIATION, as
agent

By: _____
Authorized Signatory

QUALIFIED TAX-EXEMPT OBLIGATION

This Bond has been designated a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, by resolution of the District.

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address and ZIP code of Transferee): _____ this bond and irrevocably constitutes and appoints attorney to transfer this bond on the books for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or by any change whatever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: _____

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

EXHIBIT D
FORM OF QUALIFIED SCHOOL CONSTRUCTION BOND

Number _____ UNITED STATES OF AMERICA Principal Sum
R- _____ STATE OF CALIFORNIA \$ _____
COUNTY OF LOS ANGELES

LITTLE LAKE CITY SCHOOL DISTRICT
ELECTION OF 2000
GENERAL OBLIGATION BONDS, SERIES _

QUALIFIED SCHOOL CONSTRUCTION BOND
(TAX CREDIT BOND)

THE LITTLE LAKE CITY SCHOOL DISTRICT AND THE COUNTY OF LOS ANGELES, CALIFORNIA HAVE DESIGNATED THIS BOND AS A QUALIFIED SCHOOL CONSTRUCTION BOND WITHIN THE MEANING OF SECTION 54F OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Tax Credit Rate</u>	<u>Dated as of</u>	<u>CUSIP NO.</u>
_____ 1, _____	_____ %	_____ %	_____	_____

Registered Owner: CEDE & CO.

Principal Sum: _____ DOLLARS

Little Lake City School District, County of Los Angeles, State of California (herein called the "District"), acknowledges itself obligated to and promises to pay to the person whose name appears on the bond registration books (the "Registration Books") of the Paying Agent as the registered owner (the "Registered Owner") identified above or registered assigns, on the maturity date set forth above or upon prior redemption hereof, the Principal Sum specified above in lawful money of the United States of America, and to pay interest thereon (the "Supplemental Coupon") in like lawful money from the Bond Payment Date next preceding the date of authentication of this bond (unless this bond is authenticated on or before an interest payment date and after the close of business on the preceding Record Date (as defined herein), in which event it shall bear interest from such Bond Payment Date, or unless this bond is authenticated on or before _____ 1, 20__, in which event interest thereon shall be payable from the date hereof) at the interest rate per annum stated above, payable commencing on _____ 15, 20__, and thereafter on each March 15, June 15, September 15 and December 15 in each year (each, an "Bond Payment Date"), until payment of the Principal Sum. This bond shall not bear interest unless it shall become an Interest Bearing Bond in accordance with the County Resolution (defined herein) and the Tax Credits Separation Certificate (defined herein). This bond is a tax credit bond issued as a "qualified school construction bond" as defined in Section 54F of the Internal Revenue Code of 1986, as amended (the "Code") and is composed of a principal component (the "Principal Component") and a component relating to the entitlement, pursuant to the program for allocating tax credits and authorizing the issuance of qualified school construction bonds

promulgated under Sections 54A and 54F of the Code, of a taxpayer to recognize a credit (the "Tax Credit) against the tax imposed by Chapter 1 of the Code.

So long as the ownership of the Tax Credit component of this bond has not been separated from the ownership of the Principal Component of this bond, the owner of this bond may be eligible to receive tax credits determined based on the Tax Credit Rate set forth above in accordance with Section 54A of the Code as described in the Tax Credits Separation Certificate.

Pursuant to the County Resolution and the Tax Credits Separation Certificate dated _____, 2009 executed by the District and the County and agreed to and accepted by U.S. Bank National Association, as agent to the Paying Agent (the "Tax Credits Separation Certificate"): (i) the ownership of the Principal Component of this Qualified School Construction Bond (defined herein) may be separated from the ownership of the related Tax Credit Certificates; (ii) the ownership of the Principal Component of an Interest Bearing Bond may be separated from the ownership of the related Cash Interest Certificates; (iii) the ownership of Principal Strip Certificates and Tax Credit Certificates may be recombined into Qualified School Construction Bonds; (iv) the ownership of Principal Strip Certificates and Cash Interest Certificates may be recombined into Interest Bearing Bonds; and (v) Qualified School Construction Bonds may be converted into Interest Bearing Bonds. Notwithstanding the separation, if any, of the ownership of the Principal Component of this Qualified School Construction Bond from the entitlement of the Owner thereof to the related Tax Credits or any conversion of this Qualified School Construction Bond to an Interest Bearing Bonds, the ownership of Principal Strip Certificates shall continue to evidence the rights of the Owner thereto to the related Principal Components and any Supplemental Coupon related thereto.

Pursuant to the County Resolution and the Tax Credits Separation Certificate, upon (i) the Date of a Determination of Loss of Qualified School Construction Bond Status, or (ii) the receipt by the Paying Agent of a written notice from the District of its election to convert this Qualified School Construction Bonds to Interest Bearing Bonds, this Qualified School Construction Bond shall be converted into an Interest Bearing Bond requiring the District to make cash payments of interest thereon to the Owners thereof. Subsequent to a Tax Credit Conversion Date, if any, the interest on the Interest Bearing Bonds shall be payable on March 15, June 15, September 15 and December 15 in each year interest payments are to be made commencing on a date determined in accordance with the Tax Credits Separation Certificate. The Interest Bearing Bonds shall, in addition to any Supplemental Coupon, bear interest from the prior Tax Credit Allowance Date (with appropriate adjustment for any Tax Credits that in fact will be allowed to the Owner by the IRS subsequent to such prior Tax Credit Allowance Date) to maturity at an interest rate per annum equal to the Tax Credit Rate, payable quarterly on each Tax Credit Allowance Date commencing on the January 15 following the next succeeding August 1 after a Determination of Loss of Qualified School Construction Bond Status or the date that the Paying Agent receives written notice from the District of its election to convert this Qualified School Construction Bond to an Interest Bearing Bond.

Upon a conversion from Qualified School Construction Bonds to Interest Bearing Bonds, if any, this Qualified School Construction Bond shall (i) automatically be converted into an Interest Bearing Bond as of the Tax Credit Conversion Date without the need for any further action or proceeding by the County, the District or the Paying Agent, (ii) be an Interest Bearing Bond for all purposes of the County Resolutions and this Tax Credits Separation Certificate and (iii) cease to be a Qualified School Construction Bond under Section 54F of the Code.

Payments of principal of the Qualified School Construction Bonds is payable to the Registered Owner hereof upon the surrender hereof at the principal corporate trust office of U.S. Bank National Association as agent for the Treasurer and Tax Collector of the County of Los

Angeles (collectively referenced herein as the "Paying Agent"), the paying agent/registrars and transfer agent of the County.

This bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest rates, interest payment modes, maturities and redemption provisions), amounting in the aggregate to \$ _____, and designated as the "Little Lake City School District Election of 2000 General Obligation Bonds General Obligation Bonds, Series __ Qualified School Construction Bonds (Tax Credit Bonds) (the "Qualified School Construction Bonds"). The Qualified School Construction Bonds are issued by the Board of Supervisors of the County of Los Angeles, State of California, pursuant to the provisions of the Constitution and laws of the State and of a resolution (the "County Resolution") adopted by the Board of Supervisors of the County on November __, 2009.

The Qualified School Construction Bonds of this issue are issuable only as fully registered bonds without coupons and in the denominations of \$ _____ principal amount or any integral multiple thereof. This bond is exchangeable and transferable as provided in the County Resolution and the Tax Credits Separation Certificate.

The Qualified School Construction Bonds shall be subject to redemption as provided in the County Resolution and the Purchase Contract, dated _____, 2009 (the "Purchase Contract") by and among the District, the County and the underwriters named therein. In the event that the ownership of the Principal Strip Certificates or Tax Credit Certificates has been separated from the ownership of the Bonds and registered separately pursuant to the Tax Credits Separation Certificate, the Principal Strip Certificates or Tax Credit Certificates, as applicable, related to the redeemed Qualified School Construction Bonds shall be called for redemption in the same manner as the Qualified School Construction Bonds, and the redemption price shall be allocated to the Principal Components of the Qualified School Construction Bonds and the Principal Strip Certificates and Tax Credit Certificates in the proportions set forth in the TABLE OF ALLOCABLE VALUES attached hereto as Schedule I.

The District, the County and the Paying Agent may treat the Registered Owner hereof as the absolute owner hereof for all purposes, whether or not this Qualified School Construction Bond shall be overdue, and shall not be affected by any notice to the contrary.

All acts, conditions and things required by law to be done or performed precedent to and in the issuance of this bond have been done and performed pursuant to the laws authorizing the issuance of this bond. This bond is in substantially the form prescribed by order of the Board of Supervisors duly made and entered on its minutes. This bond represents an obligation of the District payable out of the applicable Debt Service Fund (as defined in the County Resolution), and the money for the payment of principal of, premium, if any, and interest, if any, hereon, shall be raised by taxation upon the taxable property of the District.

Reference is hereby made to the County Resolution and the District Resolution adopted by the District's Board of Education on October 13, 2009 (the "District Resolution"), and Purchase Contract for a description of the terms of the Qualified School Construction Bonds and the rights of the Owners of the Qualified School Construction Bonds. The terms of the County Resolution, the District Resolution and the Purchase Contract are hereby incorporated herein. Capitalized terms used and not defined herein have the meanings ascribed thereto in the County Resolution.

This bond shall not be entitled to any benefit under the County Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon endorsed shall have been signed by the Paying Agent.

IN WITNESS WHEREOF, the Board of Supervisors has caused this Bond to be executed on behalf of the District, by the manual or facsimile signatures of the Chairman of the Board of Supervisors of the County and the Treasurer-Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Executive Officer-Clerk of the Board of Supervisors of the County, and has caused the seal of the County to be affixed hereto, all as of the date stated above.

COUNTY OF LOS ANGELES, CALIFORNIA

[SEAL]

By: _____
Chairman of the Board of Supervisors

By: _____
Treasurer-Tax Collector

COUNTERSIGNED:

Executive Officer-Clerk
of the Board of Supervisors

(FORM OF CERTIFICATE OF AUTHENTICATION)

This bond is one of the Qualified School Construction Bonds described in the Bond Resolution referred to herein, which has been authenticated and registered on _____, 2009.

TREASURER AND TAX COLLECTOR OF LOS ANGELES COUNTY, as Paying Agent

By: U.S. Bank National Association, as agent

By: _____
Its: Authorized Officer

(FORM OF STATEMENT OF INSURANCE)

[TO COME]

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address and ZIP code of Transferee): _____
this bond and irrevocably constitutes and appoints attorney to transfer this bond on the books for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or by any change whatever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: _____

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

SCHEDULE I
TABLE OF ALLOCABLE VALUES

APPENDIX I

Certificate Number	UNITED STATES OF AMERICA	Tax Credit Amount
TC-__	STATE OF CALIFORNIA	\$ _____
	COUNTY OF LOS ANGELES	

CERTIFICATE EVIDENCING TAX CREDIT ENTITLEMENT

related to the

LITTLE LAKE CITY SCHOOL DISTRICT
ELECTION OF 2000
GENERAL OBLIGATION BONDS, SERIES __

QUALIFIED SCHOOL CONSTRUCTION BOND
(TAX CREDIT BOND)

<u>Sale Date of Related Bonds</u>	<u>Issuance Date of Related Bonds</u>	<u>Maturity Date of Related Bond</u>	<u>Applicable Tax Credit Rate</u>	<u>CUSIP NO. of Related Bonds</u>
_____, 2009	_____, 2009	_____ 15, 20__	____%	_____

Tax Credit Allowance Date
(_____ 15)

CUSIP number
(if stripped from Related Bond)

20__

Dated: _____, 2009

Registered Owner: CEDE & CO.

Notional Amount: _____ DOLLARS

This certificate evidences the entitlement of the Registered Owner identified above or registered assigns (the "Registered Owner") to the credit (the "Tax Credit") to be provided on the Tax Credit Allowance Date specified above, under Section 54A of the Internal Revenue Code of 1986, as amended (the "Code"), against the tax imposed by Chapter 1 of the Code ("Chapter 1"), with respect to the related component part of the bonds designated as the Little Lake City School District Election of 2000 General Obligation Bonds, Series __ Qualified School Construction Bonds (Tax Credit Bonds) relating to the Tax Credit (the "Related Bonds"), the aggregate amount of which have been designated as qualified school construction bonds pursuant to Section 54F of the Code by the Little Lake City School District, County of Los Angeles, State of California (the "District") and the County of Los Angeles, California (the "County", and together with the District, the "Issuer"). This certificate evidences the Tax Credit component of the Related Bonds and the obligation of the District to maintain the status of the Related Bonds as qualified school construction bonds under the Code.

The holder hereof shall be allowed a credit against the tax imposed by Chapter 1 in an amount equal to twenty five percent (25%) of the annual credit determined with respect to the Related Bonds, being the product of: (a) the applicable tax credit rate set forth above (the "Applicable Rate"), and (b) the outstanding face amount of the Related Bonds (the "Notional Amount"); provided, however, that the amount for _____ 15, 20__ of this Tax Credit shall be pro rated by the number of days from the date of initial issuance and delivery to the first March 15, June 15, September 15 and December 15 in accordance with the Code. A similar rule or pro ration shall apply upon the redemption or the maturity, if applicable, of this Tax Credit.

This certificate is executed and delivered in conjunction with and as a component part of the Related Bonds and, together with other similar certificates relating to the Related Bonds, designated as "Certificates Evidencing Tax Credit Entitlement related to the Little Lake City School District Election of 2000 General Obligation Bonds, Series _ Qualified School Construction Bonds (Tax Credit Bonds)" (the "Tax Credit Certificates"). The Related Bonds were authorized by a vote of at least 55% of the voters voting at an election duly and legally called, held and conducted in the District on _____. The Tax Credit Certificate is executed and delivered by the Board of Supervisors of the County pursuant to and pursuant to the provisions of the Constitution and laws of the State and a resolution (the "County Resolution") adopted by the Board of Supervisors of the County on November __, 2009 , a resolution (the "District Resolution") adopted by the Board of Education of the District on October 13, 2009, the terms set forth in the Purchase Contract, dated _____, 2009 (the "Purchase Contract") by and among the District, the County and the underwriters named therein and the Tax Credits Separation Certificate (as defined in the County Resolution) as provided in the County Resolution. Reference is hereby made to the County Resolution, the District Resolution, the Purchase Contract and the Tax Credits Separation Certificate for a description of the terms on which the Tax Credit Certificates are executed and delivered, for the rights of the Owners of the Tax Credit Certificates, and for the amendment of the Tax Credits Separation Certificate (with or without consent of the Owners of the Tax Credit Certificates and the Related Bonds); and all the terms of the County Resolution, the District Resolution, the Purchase Contract and the Tax Credits Separation Certificate are hereby incorporated herein and constitute a contract among the County, the District and the Registered Owner of this certificate, to all the provisions of which the Registered Owner of this certificate, by acceptance hereof, agrees and consents. Capitalized undefined terms used herein have the meanings ascribed thereto in the County Resolution, the District Resolution, the Purchase Contract and the Tax Credits Separation Certificate, as applicable.

The Tax Credit Certificates are subject to registration, transfer and exchange as provided in and subject to the terms and provisions of the County Resolution, the District Resolution, the Purchase Contract and the Tax Credits Separation Certificate.

The Related Bonds are subject to redemption as provided in the County Resolution, the Purchase Contract and the Tax Credits Separation Certificate. In the event of a mandatory redemption of Qualified School Construction Bonds from unexpended Bond Proceeds and in the event that Qualified School Construction Bonds have been exchanged for Principal Strip Certificates and Tax Credit Certificates (in whole or in part) and registered separately pursuant to the Tax Credits Separation Certificate, the amount of unexpended Bond Proceeds shall be allocated, as nearly as reasonably possible, pro rata between (i) Qualified School Construction Bonds and (ii) an amount of (a) Principal Strip Certificates and (b) Tax Credit Certificates that would relate to such principal amount of Principal Strip Certificates, based upon the relative par amounts of the outstanding Qualified School Construction Bonds and the outstanding Principal Strip Certificates. Any Principal Strip Certificates and Tax Credit Certificates to be so redeemed shall also be called for redemption on the same terms and conditions and in the same manner as the Qualified School Construction Bonds pursuant to the County Resolution and

the Purchase Contract, and the price for redemption to be paid by the District and used to redeem Principal Strip Certificates and Tax Credit Certificates so redeemed shall be allocated to the Qualified School Construction Bonds, Principal Strip Certificates and the Tax Credit Certificates in the proportions and values set forth in the Table of Allocable Values attached hereto as Schedule I.

All acts, conditions and things required by law to be done or performed precedent to and in the execution and delivery of this Tax Credit Certificate have been done and performed pursuant to the laws authorizing the execution and delivery of this Tax Credit Certificate.

This Certificate shall not be entitled to any benefit or be valid for any purpose unless signed by manual or facsimile signature of an authorized signatory of the County and an authorized signatory of the District and authenticated by the manual signature of a duly authorized officer of the Paying Agent.

IN WITNESS WHEREOF the Little Lake City School District has caused this certificate to be executed in his/her official capacity by the manual or facsimile signature of an Authorized Officer of the District and countersigned by the manual or facsimile signature of the Executive Officer-Board of Education and the County of Los Angeles has caused this certificate to be executed in their official capacities by manual or facsimile signatures of the Chairman of the Board of Supervisors of the County and the Treasurer and Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Executive Officer-Clerk of the Board of Supervisors of the County, all as of the date set forth above.

COUNTY OF LOS ANGELES, CALIFORNIA

Chairman of the Board of Supervisors

[SEAL]

Treasurer and Tax Collector

Countersigned:

Executive Officer-Clerk of the Board of Supervisors

LITTLE LAKE CITY SCHOOL DISTRICT

Authorized District Officer

Countersigned:

Executive Officer, Board of Education

CERTIFICATE OF AUTHENTICATION

This is one of the Certificates Evidencing Tax Credit Entitlement related to the Little Lake City School District Election of 2000 General Obligation Bonds, Series _ Qualified School Construction Bonds (Tax Credit Bonds) described in the within-mentioned County Resolution, the Purchase Contract dated _____, 2009 by and among the County of Los Angeles, the Little Lake City School District and the underwriters named therein and the Tax Credits Separation Certificate dated _____, 2009 executed by the Little Lake City School District and the County of Los Angeles and authenticated and registered on _____.

TREASURER AND TAX COLLECTOR OF THE
COUNTY OF LOS ANGELES, AS PAYING AGENT

By: U.S. BANK NATIONAL ASSOCIATION,
as Agent to the Paying Agent

By _____
Authorized Officer

SCHEDULE I
TABLE OF ALLOCABLE VALUES

Certificate Number
TC-__

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

Principal Component Amount
\$ _____

CERTIFICATE EVIDENCING PRINCIPAL COMPONENT ENTITLEMENT

related to the

LITTLE LAKE CITY SCHOOL DISTRICT
GENERAL OBLIGATION BONDS
ELECTION OF 2000, SERIES _

QUALIFIED SCHOOL CONSTRUCTION BOND
(TAX CREDIT BOND)

<u>Sale Date of Related Bonds</u>	<u>Issuance Date of Related Bonds</u>	<u>Maturity Date of Related Bond</u>	<u>Interest Rate</u>	<u>CUSIP NO. of Related Bonds</u>
_____, 2009	_____, 2009	_____ 15, 20__	_____ %	_____

Dated: _____, 2009

Registered Owner: CEDE & CO.

Principal Component Amount: _____ DOLLARS

This certificate evidences the entitlement of the Registered Owner identified above or registered assigns (the "Registered Owner") to the principal component specified above (the "Principal Component") or portion thereof as set forth herein upon prior redemption thereof, with respect to a component part of the bonds designated as the Little Lake City School District Election of 2000 General Obligation Bonds, Series _ Qualified School Construction Bonds (Tax Credit Bonds) relating to the Principal Component (the "Related Bonds"), the aggregate amount of which have been designated as qualified school construction bonds pursuant to Section 54F of the Internal Revenue Code of 1986, as amended (the "Code") by the Little Lake City School District, County of Los Angeles, State of California (the "District") and the County of Los Angeles, California (the "County", and together with the District, the "Issuer"). This certificate evidences the Principal Component of the Related Bonds.

This certificate is executed and delivered in conjunction with and as a component part of the Related Bonds and, together with other similar certificates relating to the Related Bonds, designated as "Certificates Evidencing Principal Component related to the Little Lake City School District Election of 2000 General Obligation Bonds, Series _ Qualified School Construction Bonds (Tax Credit Bonds)" (the "Principal Strip Certificates"). The Related Bonds were authorized by a vote of at least 55% of the voters voting at an election duly and legally called, held and conducted in the District on _____. The Principal Strip Certificate is executed and delivered by the Board of Supervisors of the County pursuant to and pursuant to the provisions of the Constitution and laws of the State and a resolution (the "County Resolution") adopted by the Board of Supervisors of the County on November __, 2009, a resolution (the "District Resolution") adopted by the Board of Education of the District on October 13, 2009, including the terms set forth in the Purchase Contract, dated _____, 2009 (the "Purchase Contract") by and among the District, the County and the underwriters named therein and the Tax

Credits Separation Certificate (as defined in the County Resolution) as provided in the County Resolution. Reference is hereby made to the County Resolution and the District Resolution, related Purchase Contract and the Tax Credits Separation Certificate for a description of the terms on which the Tax Credit Certificates are executed and delivered, for the rights of the Owners of the Principal Strip Certificates, and for the amendment of the Tax Credits Separation Certificate (with or without consent of the Owners of the Principal Strip Certificates and the Related Bonds); and all the terms of the County Resolution and the District Resolution, the Purchase Contract and the Tax Credits Separation Certificate are hereby incorporated herein and constitute a contract among the County, the District and the Registered Owner of this certificate, to all the provisions of which the Registered Owner of this certificate, by acceptance hereof, agrees and consents. Capitalized undefined terms used herein have the meanings ascribed thereto in the County Resolution and the District Resolution, related Purchase Contract and the Tax Credits Separation Certificate, as applicable.

The District promises to pay to the person whose name appears on the bond registration books (the "Registration Books") of the Paying Agent as the registered owner (the "Registered Owner") identified above or registered assigns, on the maturity date set forth above or upon prior redemption hereof, the Principal Component Amount specified above in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Bond Payment Date next preceding the date of authentication of this bond (unless this bond is authenticated on or before an interest payment date and after the close of business on the preceding Record Date (as defined herein), in which event it shall bear interest from such Bond Payment Date, or unless this bond is authenticated on or before __ 1, 20 __, in which event interest thereon shall be payable from the date hereof) at the interest rate per annum stated above, payable commencing on ____ 15, 20 __, and thereafter on each March 15, June 15, September 15 and December 15 in each year (each, a "Bond Payment Date") until payment of the Principal Component Amount or such portion thereof upon the prior redemption thereof.

Payments of principal of this Principal Strip Certificate is payable to the Registered Owner upon the surrender hereof at the principal corporate trust office of U.S. Bank National Association as agent for the Treasurer and Tax Collector of the County of Los Angeles (collectively referenced herein as the "Paying Agent"), the paying agent/registrar and transfer agent of the County. The Principal Strip Certificates are subject to registration, transfer and exchange as provided in and subject to the terms and provisions of the County Resolution and the District Resolution, related Purchase Contract and the Tax Credits Separation Certificate.

The Related Bonds are subject to redemption as provided in the County Resolution, the Purchase Contract and the Tax Credits Separation Certificate. In the event of a mandatory redemption of Qualified School Construction Bonds from unexpended Bond Proceeds and in the event that Qualified School Construction Bonds have been exchanged for Principal Strip Certificates and Tax Credit Certificates (in whole or in part) and registered separately pursuant to the Tax Credits Separation Certificate, the amount of unexpended Bond Proceeds shall be allocated, as nearly as reasonably possible, pro rata between (i) Qualified School Construction Bonds and (ii) an amount of (a) Principal Strip Certificates and (b) Tax Credit Certificates that would relate to such principal amount of Principal Strip Certificates, based upon the relative par amounts of the outstanding Qualified School Construction Bonds and the outstanding Principal Strip Certificates. Any Principal Strip Certificates and Tax Credit Certificates to be so redeemed shall also be called for redemption on the same terms and conditions and in the same manner as the Qualified School Construction Bonds pursuant to the County Resolution and the Purchase Contract, and the price for redemption to be paid by the District and used to redeem Principal Strip Certificates and Tax Credit Certificates so redeemed shall be allocated to the Qualified

School Construction Bonds, Principal Strip Certificates and the Tax Credit Certificates in the proportions and values set forth in the Table of Allocable Values attached hereto as Schedule I.

All acts, conditions and things required by law to be done or performed precedent to and in the execution and delivery of this Principal Strip Certificate have been done and performed pursuant to the laws authorizing the execution and delivery of this Principal Strip Certificate. This Principal Strip Certificate is in substantially the form prescribed by order of the Board of Supervisors duly made and entered on its minutes.

This Certificate shall not be entitled to any benefit or be valid for any purpose unless signed by manual or facsimile signature of an authorized signatory of the County and an authorized signatory of the District and authenticated by the manual signature of a duly authorized officer of the Paying Agent.

IN WITNESS WHEREOF the Little Lake City School District has caused this certificate to be executed in his/her official capacity by the manual or facsimile signature of an Authorized Officer of the District and countersigned by the manual or facsimile signature of the Executive Officer-Board of Education and the County of Los Angeles has caused this certificate to be executed in their official capacities by manual or facsimile signatures of the Chairman of the Board of Supervisors of the County and the Treasurer and Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Executive Officer-Clerk of the Board of Supervisors of the County, all as of the date set forth above.

COUNTY OF LOS ANGELES, CALIFORNIA

Chairman of the Board of Supervisors

[SEAL]

Treasurer and Tax Collector

Countersigned:

Executive Officer-Clerk of the Board of Supervisors

LITTLE LAKE CITY SCHOOL DISTRICT

Authorized District Officer

Countersigned:

Executive Officer, Board of Education

CERTIFICATE OF AUTHENTICATION

This is one of the Certificates Evidencing Principal Component Entitlement related to the Little Lake City School District Election of 2000 General Obligation Bonds, Series _ Qualified School Construction Bonds (Tax Credit Bonds) within-mentioned County Resolution, the Purchase Contract dated _____, 2009 by and among the County of Los Angeles, the Little Lake City School District and the underwriters named therein and the Tax Credits Separation Certificate dated _____, 2009 executed by the Little Lake City School District and the County of Los Angeles and authenticated and registered on _____.

TREASURER AND TAX COLLECTOR OF THE
COUNTY OF LOS ANGELES, AS PAYING AGENT

By: U.S. BANK NATIONAL ASSOCIATION,
as Agent to the Paying Agent

By _____
Authorized Officer

SCHEDULE I
TABLE OF ALLOCABLE VALUES

EXHIBIT E

FORM OF INTEREST BEARING BOND

Number UNITED STATES OF AMERICA Principal Sum
R- STATE OF CALIFORNIA \$
COUNTY OF LOS ANGELES

LITTLE LAKE CITY SCHOOL DISTRICT
ELECTION OF 2000
GENERAL OBLIGATION BONDS, SERIES _

Table with 5 columns: Maturity Date, Supplemental Coupon, Interest Rate, Dated as of, CUSIP NO. with blank lines for input.

Registered Owner: CEDE & CO.

Principal Sum: DOLLARS

Little Lake City School District, County of Los Angeles, State of California (herein called the "District"), acknowledges itself obligated to and promises to pay to the person whose name appears on the bond registration books (the "Registration Books") of the Paying Agent as the registered owner (the "Registered Owner") identified above or registered assigns, on the maturity date set forth above or upon prior redemption hereof, the Principal Sum specified above in lawful money of the United States of America, and to pay interest thereon (the "Supplemental Coupon") in like lawful money from the Bond Payment Date next preceding the date of authentication of this bond (unless this bond is authenticated on or before a Bond Payment Date and after the close of business on the preceding Record Date (as defined herein), in which event it shall bear interest from such Bond Payment Date, or unless this bond is authenticated on or before 1, 20, in which event interest thereon shall be payable from the date hereof) at the interest rate per annum stated above, payable commencing on 15, 20, and thereafter on each March 15, June 15, September 15 and December 15 in each year (each, a "Bond Payment Date"), until payment of the Principal Sum; provided, however, that the amount for 15, 20 of this bond shall be pro rated by the number of days from the date of initial issuance and delivery to the first March 15, June 15, September 15 and December 15 in accordance with the Code. A similar rule or pro ration shall apply upon the redemption or the maturity, if applicable, of this bond.

Upon (i) the Date of Determination of Loss of Qualified School Construction Bond Status, or (ii) the receipt by the Paying Agent of a written notice from the District of its election to convert the Qualified School Construction Bonds to Interest Bearing Bonds, the Interest Bearing Bonds shall bear interest from March 15, June 15, September 15 and December 15 in each year commencing on 15, 20 and in accordance with the County Resolution and the Tax Credits Separation Certificate (with appropriate adjustment for any Tax Credits that in fact will be allowed to the Owner by the IRS subsequent to such prior Tax Credit Allowance Date) to maturity at an interest rate per annum equal to % (the "Tax Credit Rate"), payable quarterly on each Tax Credit Allowance Date

commencing on the January 15 following the next succeeding August 1 after a Determination of Loss of Qualified School Construction Bond Status or the date that the Paying Agent receives written notice from the District of its election to convert the Qualified School Construction Bonds to Interest Bearing Bonds.

In addition, the District promises to pay to the Registered Owner hereof interest relating to the Supplemental Coupon, if any, at the rate set forth above, which shall be payable on March 15, June 15, September 15 and December 15 in each year commencing on ____ 15, 20__ and in accordance with the County Resolution and the Tax Credits Separation Certificate.

This bond is was originally issued as a "qualified school construction bond" as defined in Section 54F of the Internal Revenue Code of 1986, as amended (the "Code") and has been converted to an Interest Bearing Bond in accordance with a resolution (the "County Resolution") adopted by the Board of Supervisors of the County on November __, 2009 and a resolution (the "District Resolution") adopted by the Board of Education of the District on October 13, 2009 and is composed of the Principal Component, cash interest components relating to the interest payments to be paid by the District to the Registered Owner attached hereto as Appendix I, the ownership of which may be separated from the Principal Component and payments relating to the Supplemental Coupon to be paid by the District to the Registered Owner of the Principal Component of this bond.

Pursuant to the County Resolution and the Tax Credits Separation Certificate: (i) the ownership of the Principal Component of an Interest Bearing Bond may be separated from the ownership of the related Cash Interest Certificates and (ii) the ownership of Principal Strip Certificates and Cash Interest Certificates may be recombined into Interest Bearing Bonds. Notwithstanding the separation, if any, of the ownership of the Principal Component of an Interest Bearing Bond from the entitlement of the Owner thereof to the related Cash Interest Certificates, the ownership of Principal Strip Certificates shall continue to evidence the rights of the Owner thereto to the related Principal Components and any Supplemental Coupon related thereto.

Payments of principal of this bond is payable to the Registered Owner hereof upon the surrender hereof at the principal corporate trust office of U.S. Bank National Association as agent for the Treasurer and Tax Collector of the County of Los Angeles (collectively referenced herein as the "Paying Agent"), the paying agent/registrar and transfer agent of the County.

This bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest rates, interest payment modes, maturities and redemption provisions), amounting in the aggregate to \$_____, and designated as the "Little Lake City School District Election of 2000 General Obligation Bonds Series __ (Qualified School Construction Bonds – Tax Credit Bonds" (the "Bonds"). The Bonds are issued by the Board of Supervisors of the County of Los Angeles, State of California, pursuant to the provisions of the Constitution and laws of the State and of a resolution (the "County Resolution") adopted by the Board of Supervisors of the County on November __, 2009

This Interest Bearing Bond is issuable only as fully registered bonds in the denominations of \$5,000 principal amount or any integral multiple thereof. This bond is exchangeable and transferable as provided in the County Resolution and the Tax Credits Separation Certificate.

The Bonds shall be subject to redemption as provided in the County Resolution and the Purchase Contract, dated _____, 2009 (the "Purchase Contract") by and among the District, the County and the underwriters named therein.

The District, the County and the Paying Agent may treat the Registered Owner hereof as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and shall not be affected by any notice to the contrary.

In the event that the ownership of the Principal Strip Certificates or Cash Interest Certificates has been separated from the ownership of the Bonds and registered separately pursuant to the Tax Credits Separation Certificate, the Principal Strip Certificates or Cash Interest Certificates, as applicable, related to the redeemed Bonds shall be called for redemption in the same manner as the Related Bonds, and the redemption price shall be allocated to the Principal Components of the Related Bonds and the Principal Strip Certificates or Cash Interest Certificates, as applicable, in the proportions set forth in the Table of Redemption Values, as applicable, and Principal Strips attached hereto as Schedule I.

The Related Bonds are subject to redemption as provided in the County Resolution, the Purchase Contract and the Tax Credits Separation Certificate. In the event of a mandatory redemption of Interest Bearing Bonds from unexpended Bond Proceeds and in the event that Interest Bearing Bonds have been exchanged for Principal Strip Certificates and Cash Interest Certificates (in whole or in part) and registered separately pursuant to the Tax Credits Separation Certificate, the amount of unexpended Bond Proceeds shall be allocated, as nearly as reasonably possible, pro rata between (i) Interest Bearing Bonds and (ii) an amount of (a) Principal Strip Certificates and (b) Cash Interest Certificates that would relate to such principal amount of Principal Strip Certificates, based upon the relative par amounts of the outstanding Interest Bearing Bonds and the outstanding Principal Strip Certificates. Any Principal Strip Certificates and Cash Interest Certificates to be so redeemed shall also be called for redemption on the same terms and conditions and in the same manner as the Interest Bearing Bonds pursuant to the County Resolution and the Purchase Contract, and the price for redemption to be paid by the District and used to redeem Principal Strip Certificates and Cash Interest Certificates so redeemed shall be allocated to the Interest Bearing Bonds, Principal Strip Certificates and the Cash Interest Certificates in the proportions and values set forth in the Table of Allocable Values attached hereto as Schedule I.

All acts, conditions and things required by law to be done or performed precedent to and in the issuance of this bond have been done and performed pursuant to the laws authorizing the issuance of this bond. This bond is in substantially the form prescribed by order of the Board of Supervisors duly made and entered on its minutes. This bond represents an obligation of the District payable out of the applicable Debt Service Fund (as defined in the County Resolution), and the money for the payment of principal of, premium, if any, and interest, if any, hereon, shall be raised by taxation upon the taxable property of the District.

Reference is hereby made to the County Resolution and the District Resolution adopted by the District's Board of Education on October 13, 2009 (the "District Resolution"), and Purchase Contract for a description of the terms of the Bonds and the rights of the Owners of the Bonds. The terms of the County Resolution, the District Resolution and the Purchase Contract are hereby incorporated herein. Capitalized terms used and not defined herein have the meanings ascribed thereto in the County Resolution.

This bond shall not be entitled to any benefit under the County Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon endorsed shall have been signed by the Paying Agent.

IN WITNESS WHEREOF the County of Los Angeles has caused this bond to be executed on behalf of the District and in their official capacities by manual or facsimile signatures of the Chairman of the Board of Supervisors of the County and the Treasurer and Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Executive Officer-Clerk of the Board of Supervisors of the County, all as of the date set forth above.

COUNTY OF LOS ANGELES, CALIFORNIA

Chairman of the Board of Supervisors

[SEAL]

Treasurer and Tax Collector

Countersigned:

Executive Officer-Clerk of the Board of Supervisors

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned County Resolution and authenticated and registered on _____, 200_.

TREASURER AND TAX COLLECTOR OF THE
COUNTY OF LOS ANGELES, AS PAYING AGENT

By: U.S. BANK NATIONAL ASSOCIATION,
as Agent to the Paying Agent

By _____
Authorized Officer

(FORM OF STATEMENT OF INSURANCE)

[TO COME]

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address and ZIP code of Transferee): _____
this bond and irrevocably constitutes and appoints attorney to transfer this bond on the books for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or by any change whatever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: _____

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

SCHEDULE I
TABLE OF ALLOCABLE VALUES

Certificate Number
TC-__

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

Principal Amount
\$ _____

CERTIFICATE EVIDENCING PRINCIPAL COMPONENT ENTITLEMENT

related to the

LITTLE LAKE CITY SCHOOL DISTRICT
ELECTION OF 2000
GENERAL OBLIGATION BONDS SERIES _

<u>Sale Date of Related Bonds</u>	<u>Issuance Date of Related Bonds</u>	<u>Maturity Date of Related Bond</u>	<u>Interest Rate</u>	<u>CUSIP NO. of Related Bonds</u>
_____, 2009	_____, 2009	___ 15, 20__	_____ %	_____

Dated: _____, 2009

Registered Owner: CEDE & CO.

Principal Amount: _____ DOLLARS

This certificate evidences the entitlement of the Registered Owner identified above or registered assigns (the "Registered Owner") to the principal component specified above (the "Principal Component") or portion thereof as set forth herein upon prior redemption thereof, with respect to the portion of the bonds designated as the Little Lake City School District Election of 2000 General Obligation Bonds, Series _ Qualified School Construction Bonds (Tax Credit Bonds) relating to the Principal Component (the "Related Bonds"), the aggregate amount of which were designated as qualified school construction bonds pursuant to Section 54F of the Internal Revenue Code of 1986, as amended (the "Code") by the Little Lake City School District, County of Los Angeles, State of California (the "District") and the County of Los Angeles, California (the "County", and together with the District, the "Issuer"). This certificate evidences the Principal Component of the Related Bonds.

This certificate is executed and delivered in conjunction with and as a component part of the Related Bonds and, together with other similar certificates relating to the Bonds, designated as "Certificates Evidencing Principal Component related to the Little Lake City School District Election of 2000 General Obligation Bonds, Series _ Qualified School Construction Bonds (Tax Credit Bonds)" (the "Principal Strip Certificates"). The Related Bonds were authorized by a vote of at least 55% of the voters voting at an election duly and legally called, held and conducted in the District on _____. The Principal Strip Certificate is executed and delivered by the Board of Supervisors of the County and the resolution adopted by the District's Board of Education on October 13, 2009 (the "District Resolution"), pursuant to and pursuant to the provisions of the Constitution and laws of the State and a resolution (the "County Resolution") adopted by the Board of Supervisors of the County on November __, 2009 including the terms set forth in the Purchase Contract, dated _____, 2009 (the "Purchase Contract") by and among the District, the County and the underwriters named therein and the Tax Credits Separation Certificate (as defined in the County Resolution) as provided in the County Resolution. Reference is hereby made to the County Resolution and the District Resolution, related

Purchase Contract and the Tax Credits Separation Certificate for a description of the terms on which the Cash Interest Certificates are executed and delivered, for the rights of the Owners of the Principal Strip Certificates, and for the amendment of the Tax Credits Separation Certificate (with or without consent of the Owners of the Principal Strip Certificates and the Related Bonds); and all the terms of the County Resolution and the District Resolution, related Purchase Contract and the Tax Credits Separation Certificate are hereby incorporated herein and constitute a contract among the County, the District and the Registered Owner of this certificate, to all the provisions of which the Registered Owner of this certificate, by acceptance hereof, agrees and consents. Capitalized undefined terms used herein have the meanings ascribed thereto in the County Resolution and the District Resolution, related Purchase Contract and the Tax Credits Separation Certificate, as applicable.

The District promises to pay to the person whose name appears on the bond registration books (the "Registration Books") of the Paying Agent as the registered owner (the "Registered Owner") identified above or registered assigns, on the maturity date set forth above or upon prior redemption hereof, the Principal Component Amount specified above in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Bond Payment Date next preceding the date of authentication of this bond (unless this bond is authenticated on or before an interest payment date and after the close of business on the preceding Record Date (as defined herein), in which event it shall bear interest from such Bond Payment Date, or unless this bond is authenticated on or before ___ 1, 20__, in which event interest thereon shall be payable from the date hereof) at the interest rate per annum stated above, payable commencing on _____ 15, 20__, and thereafter on each March 15, June 15, September 15 and December 15 in each year (each, a "Bond Payment date") until payment of the Principal Component Amount or such portion thereof upon the prior redemption thereof.

Payments of principal of this Principal Strip Certificate is payable to the Registered Owner upon the surrender hereof at the principal corporate trust office of U.S. Bank National Association as agent for the Treasurer and Tax Collector of the County of Los Angeles (collectively referenced herein as the "Paying Agent"), the paying agent/registrar and transfer agent of the County. The Principal Strip Certificates are subject to registration, transfer and exchange as provided in and subject to the terms and provisions of the County Resolution and the District Resolution, related Purchase Contract and the Tax Credits Separation Certificate.

The Related Bonds are subject to redemption as provided in the County Resolution, the Purchase Contract and the Tax Credits Separation Certificate. In the event of a mandatory redemption of Interest Bearing Bonds from unexpended Bond Proceeds and in the event that Qualified School Construction Bonds have been exchanged for Principal Strip Certificates and Cash Interest Certificates (in whole or in part) and registered separately pursuant to the Tax Credits Separation Certificate, the amount of unexpended Bond Proceeds shall be allocated, as nearly as reasonably possible, pro rata between (i) Interest Bearing Bonds and (ii) an amount of (a) Principal Strip Certificates and (b) Tax Credit Certificates that would relate to such principal amount of Principal Strip Certificates, based upon the relative par amounts of the outstanding Interest Bearing Bonds and the outstanding Principal Strip Certificates. Any Principal Strip Certificates and Cash Interest Certificates to be so redeemed shall also be called for redemption on the same terms and conditions and in the same manner as the Interest Bearing Bonds pursuant to the County Resolution and the Purchase Contract, and the price for redemption to be paid by the District and used to redeem Principal Strip Certificates and Cash Interest Certificates so redeemed shall be allocated to the Interest Bearing Bonds, Principal Strip Certificates and the Cash Interest Certificates in the proportions and values set forth in the allocable value tables attached as the Table of Allocable Values attached hereto as Schedule I.

All acts, conditions and things required by law to be done or performed precedent to and in the execution and delivery of this Principal Strip Certificate have been done and performed pursuant to the laws authorizing the execution and delivery of this Principal Strip Certificate. This Principal Strip Certificate is in substantially the form prescribed by order of the Board of Supervisors duly made and entered on its minutes.

This Certificate shall not be entitled to any benefit or be valid for any purpose unless signed by manual or facsimile signature of an authorized signatory of the County and an authorized signatory of the District and authenticated by the manual signature of a duly authorized officer of the Paying Agent.

IN WITNESS WHEREOF the Little Lake City School District has caused this certificate to be executed in his/her official capacity by the manual or facsimile signature of an Authorized Officer of the District and countersigned by the manual or facsimile signature of the Executive Officer-Board of Education and the County of Los Angeles has caused this certificate to be executed in their official capacities by manual or facsimile signatures of the Chairman of the Board of Supervisors of the County and the Treasurer and Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Executive Officer-Clerk of the Board of Supervisors of the County, all as of the date set forth above.

COUNTY OF LOS ANGELES, CALIFORNIA

Chairman of the Board of Supervisors

[SEAL]

Treasurer and Tax Collector

Countersigned:

Executive Officer-Clerk of the Board of Supervisors

LITTLE LAKE CITY SCHOOL DISTRICT

Authorized District Officer

Countersigned:

Executive Officer, Board of Education

CERTIFICATE OF AUTHENTICATION

This is one of the Certificates Evidencing Principal Component Entitlement related to the Little Lake City School District Election of 2000 General Obligation Bonds, Series _ Qualified School Construction Bonds (Tax Credit Bonds) within-mentioned County Resolution, the Purchase Contract dated _____, 2009 by and among the County of Los Angeles, the Little Lake City School District and the underwriters named therein and the Tax Credits Separation Certificate dated _____, 2009 executed by the Little Lake City School District and the County of Los Angeles and authenticated and registered on _____.

TREASURER AND TAX COLLECTOR OF THE
COUNTY OF LOS ANGELES, AS PAYING AGENT

By: U.S. BANK NATIONAL ASSOCIATION,
as Agent to the Paying Agent

By _____
Authorized Officer

SCHEDULE I
TABLE OF ALLOCABLE VALUES

Certificate Number
TC-__

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

Notional Amount
\$ _____

CERTIFICATE EVIDENCING CASH INTEREST ENTITLEMENT

related to the

LITTLE LAKE CITY SCHOOL DISTRICT
ELECTION OF 2000
GENERAL OBLIGATION BONDS, SERIES _

<u>Sale Date of Related Bonds</u>	<u>Issuance Date of Related Bonds</u>	<u>Maturity Date of Related Bond</u>	<u>Applicable Interest Rate</u>	<u>CUSIP NO. of Related Bonds</u>
_____, 2009	_____, 2009	_____ 15, 20__	_____%	_____

<u>Bond Payment Date</u>	<u>CUSIP number</u>
(____ 15), 20__	_____

Dated: _____, 2009

Registered Owner: CEDE & CO.

Notional Amount: _____ DOLLARS

This certificate evidences the entitlement of the Registered Owner identified above or registered assigns (the "Registered Owner") to the cash interest component to be provided on the Bond Payment Date specified above (the "Cash Interest Component") relating to the component part of the bonds designated as the Little Lake City School District Election of 2000 General Obligation Bonds, Series _ Qualified School Construction Bonds (Tax Credit Bonds) relating to the cash interest payments thereon (the "Related Bonds"), the aggregate amount of which were initially designated as "qualified school construction bonds" pursuant to Section 54F of the Code by the Little Lake City School District, County of Los Angeles, State of California (the "District") and the County of Los Angeles, California (the "County", and together with the District, the "Issuer"), but which have been converted to Interest Bearing Bonds. This certificate evidences the Cash Interest Component of the Related Bonds.

This certificate is executed and delivered in conjunction with and as a component part of the Related Bonds and, together with other similar certificates relating to the Bonds, designated as "Certificates Evidencing Cash Interest Component related to the Little Lake City School District Election of 2000 General Obligation Bonds, Series _ Qualified School Construction Bonds (Tax Credit Bonds)" (the "Cash Interest Certificates"). The Related Bonds were authorized by a vote of at least 55% of the voters voting at an election duly and legally called, held and conducted in the District on _____. The Cash Interest Certificate executed and delivered by the Board of Supervisors of the

County pursuant to and pursuant to the provisions of the Constitution and laws of the State and a resolution (the "County Resolution") adopted by the Board of Supervisors of the County on November __, 2009, a resolution (the "District Resolution") adopted by the Board of Education of the District on October 13, 2009, the terms set forth in the Purchase Contract, dated _____, 2009 (the "Purchase Contract") by and among the District, the County and the underwriters named therein and the Tax Credits Separation Certificate (as defined in the County Resolution) as provided in the County Resolution. Reference is hereby made to the County Resolution and the District Resolution, related Purchase Contract and the Tax Credits Separation Certificate for a description of the terms on which the Cash Interest Certificates are executed and delivered, for the rights of the Owners of the Principal Strip Certificates, and for the amendment of the Tax Credits Separation Certificate (with or without consent of the Owners of the Cash Interest Certificates and the Related Bonds); and all the terms of the County Resolution and the District Resolution, related Purchase Contract and the Tax Credits Separation Certificate are hereby incorporated herein and constitute a contract among the County, the District and the Registered Owner of this certificate, to all the provisions of which the Registered Owner of this certificate, by acceptance hereof, agrees and consents. Capitalized undefined terms used herein have the meanings ascribed thereto in the County Resolution and the District Resolution, related Purchase Contract and the Tax Credits Separation Certificate, as applicable.

The District promises to pay to the person whose name appears on the bond registration books (the "Registration Books") of the Paying Agent as the registered owner (the "Registered Owner") identified above or registered assigns, on each Bond Payment Date set forth above or upon prior redemption hereof, interest on the Related Bonds in lawful money of the United States of America on the Bond Payment Date.

The Principal Strip Certificates are subject to registration, transfer and exchange as provided in and subject to the terms and provisions of the County Resolution and the District Resolution, related Purchase Contract and the Tax Credits Separation Certificate.

The Related Bonds are subject to redemption as provided in the County Resolution, the Purchase Contract and the Tax Credits Separation Certificate. In the event of a mandatory redemption of Interest Bearing Bonds from unexpended Bond Proceeds and in the event that Qualified School Construction Bonds have been exchanged for Principal Strip Certificates and Cash Interest Certificates (in whole or in part) and registered separately pursuant to the Tax Credits Separation Certificate, the amount of unexpended Bond Proceeds shall be allocated, as nearly as reasonably possible, pro rata between (i) Interest Bearing Bonds and (ii) an amount of (a) Principal Strip Certificates and (b) Tax Credit Certificates that would relate to such principal amount of Principal Strip Certificates, based upon the relative par amounts of the outstanding Interest Bearing Bonds and the outstanding Principal Strip Certificates. Any Principal Strip Certificates and Cash Interest Certificates to be so redeemed shall also be called for redemption on the same terms and conditions and in the same manner as the Interest Bearing Bonds pursuant to the County Resolution and the Purchase Contract, and the price for redemption to be paid by the District and used to redeem Principal Strip Certificates and Cash Interest Certificates so redeemed shall be allocated to the Interest Bearing Bonds, Principal Strip Certificates and the Cash Interest Certificates in the proportions and values set forth in the allocable value tables attached as the Table of Allocable Values attached hereto as Schedule I.

All acts, conditions and things required by law to be done or performed precedent to and in the execution and delivery of this Cash Interest Certificate have been done and performed pursuant to the laws authorizing the execution and delivery of this Cash Interest Certificate. This Cash Interest

Certificate is in substantially the form prescribed by order of the Board of Supervisors duly made and entered on its minutes.

This Certificate shall not be entitled to any benefit or be valid for any purpose unless signed by manual or facsimile signature of an authorized signatory of the County and an authorized signatory of the District and authenticated by the manual signature of a duly authorized officer of the Paying Agent.

IN WITNESS WHEREOF the County of Los Angeles has caused this certificate to be executed in his/her official capacity by the manual or facsimile signature of an Authorized Representative of the District and countersigned by the manual or facsimile signature of the Executive Officer-Board of Education and in their official capacities by manual or facsimile signatures of the Chairman of the Board of Supervisors of the County and the Treasurer and Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Executive Officer-Clerk of the Board of Supervisors of the County, all as of the date set forth above.

COUNTY OF LOS ANGELES, CALIFORNIA

Chairman of the Board of Supervisors

[SEAL]

Treasurer and Tax Collector

Countersigned:

Executive Officer-Clerk of the Board of Supervisors

LITTLE LAKE CITY SCHOOL DISTRICT

Authorized District Officer

Countersigned:

Executive Officer, Board of Education

CERTIFICATE OF AUTHENTICATION

This is one of the Certificates Evidencing Cash Interest Entitlement related to the Little Lake City School District Election of 2000 General Obligation Bonds, Series _ Qualified School Construction Bonds (Tax Credit Bonds) described in the within-mentioned County Resolution, the Purchase Contract dated _____, 2009 by and among the County of Los Angeles, the Little Lake City School District and the underwriters named therein and the Tax Credits Separation Certificate dated _____, 2009 executed by the Little Lake City School District and the County of Los Angeles authenticated and registered on _____.

TREASURER AND TAX COLLECTOR OF THE
COUNTY OF LOS ANGELES, AS PAYING AGENT

By: U.S. BANK NATIONAL ASSOCIATION,
as Agent to the Paying Agent

By _____
Authorized Officer

(FORM OF STATEMENT OF INSURANCE)

SCHEDULE I
TABLE OF ALLOCABLE VALUES

TAX CREDITS SEPARATION CERTIFICATE

This Tax Credits Separation Certificate dated _____, 2009 (the "Tax Credits Separation Certificate") is executed and delivered by the Little Lake City School District (the "District") and the County of Los Angeles (the "County") in connection with the issuance of the Little Lake City School District Election of 2000 General Obligation Bonds, Series D-1 (Qualified School Construction Bonds) (Tax Credit Bonds) (the "Qualified School Construction Bonds"). The Qualified School Construction Bonds are being issued pursuant to a resolution adopted by the Board of Supervisors of the County on November __, 2009 (the "County Resolution"), at the request of the Board of Education of the District by its resolution adopted on October 13, 2009 (the "District Resolution" and, together with the County Resolutions, the "Resolutions"). The District and the County covenant and agree as follows:

Section 1. Purpose of the Tax Credits Separation Certificate. Pursuant to the Resolutions and this Tax Credits Separation Certificate, the District and the County have caused the Qualified School Construction Bonds to be issued in a form that permits the separation, under the Tax Credit Program, of the ownership of the Principal Component of a Qualified School Construction Bond from the entitlement of the Owner thereof to the related Tax Credits. This Tax Credits Separation Certificate provides for the terms and conditions pursuant to which: (i) the ownership of the Principal Component of a Qualified School Construction Bond may be separated from the ownership of the related Tax Credit Component; (ii) the ownership of the Principal Component of an Interest Bearing Bond may be separated from the ownership of the related Cash Interest Payment Component; (iii) the ownership of Principal Strip Certificates and Tax Credit Certificates may be recombined into Qualified School Construction Bonds; (iv) the ownership of Principal Strip Certificates and Cash Interest Certificates may be recombined into Interest Bearing Bonds; and (v) Qualified School Construction Bonds may be converted into Interest Bearing Bonds.

Section 2. Definitions. In addition to the definitions set forth in the Resolutions, which shall apply to any capitalized term used in this Tax Credits Separation Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Accountable Event of Loss of Qualified School Construction Bond Status" means (i) any act or any failure to act on the part of the District constituting a breach of a covenant or agreement of the District contained in the Resolutions or the Tax Certificate which causes the Qualified School Construction Bonds to lose their status, or fail to qualify, as "qualified school construction bonds" within the meaning of Section 54F of the Code, or (ii) the making by the District of any representation contained in the Resolutions, the Tax Certificate or the Qualified School Construction Bonds, as applicable, which was untrue when made and the untruth of which representation at such time causes the Qualified School Construction Bonds to lose their status, or fail to qualify, as "qualified school construction bonds" within the meaning of Section 54F of the Code.

"Authorized Denomination" means (i) with respect to Qualified School Construction Bonds and Principal Strip Certificates thereof, \$40,000 or any integral multiple thereof; (ii) with respect to Interest Bearing Bonds prior to any separation of Cash Interest Payment Components from the Principal Component thereof, \$5,000 or any integral multiple thereof; (iii) with respect to Interest Bearing Bonds and the Principal Strip Certificates thereof subsequent to any separation of the Cash Interest Payment Components from the Principal Component thereof, \$40,000 or any integral multiple thereof; (iv) with respect to Tax Credit Certificates and Cash Interest Certificates for any single Tax Credit Allowance Date, \$ _____, which is an amount equal to twenty-five percent

(25%) of the product of (A) \$40,000 and (B) the Tax Credit Rate, or any integral multiple thereof; provided, however that the Authorized Denomination for Tax Credit Certificates with respect to the first Tax Credit Allowance Date shall be \$ _____.

“Bond Proceeds” means the proceeds from the sale of the Qualified School Construction Bonds, exclusive of any premium and accrued interest received, deposited in the County treasury and credited to the Building Fund of the District.

“Bond Purchase Agreement” means the Bond Purchase Agreement dated November __, 2009 by and among the County, the District and RBC Capital Markets Corporation, as underwriter relating to the Qualified School Construction Bonds.

“Book-Entry Bonds” means the Qualified School Construction Bonds and Interest Bearing Bonds registered in the name of the nominee of DTC, or any successor securities depository for the Qualified School Construction Bonds and Interest Bearing Bonds, as the registered owner thereof pursuant to the terms and provisions of Section 17 of this Tax Credits Separation Certificate.

“Cash Interest Certificates” means the certificates executed and delivered in accordance with the Resolutions and Section 7 of this Tax Credits Separation Certificate, from and after the Tax Credit Conversion Date, which certificates evidence the entitlement of the Owner thereof to the Cash Interest Payment Components with respect to any Qualified School Construction Bond that has been converted into an Interest Bearing Bond, the Cash Interest Payment Components related to which has been separated therefrom pursuant to the Resolutions and the Tax Credits Separation Certificate. The maximum face amount of Cash Interest Certificates with respect to any single Cash Interest Payment Date shall not exceed \$ _____ (being twenty-five percent (25%) of the product of (i) the maximum principal amount of Interest Bearing Bonds, or \$ _____, and (ii) the Tax Credit Rate).

“Cash Interest Payment Component” means, with the exception of the cash interest payments relating to the Supplemental Coupon, any cash interest payment with respect to any Interest Bearing Bond.

“Cash Interest Payment Date” means, with respect to Interest Bearing Bonds and Cash Interest Certificates, March 15, June 15, September 15 and December 15 in each year, commencing on the March 15, June 15, September 15 or December 15 immediately following the Tax Credit Conversion Date, during which the Interest Bearing Bonds are outstanding.

“Code” means the Internal Revenue Code of 1986, as amended.

“Date of Determination of Loss of Qualified School Construction Bond Status” means the date on which the Internal Revenue Service or a court of competent jurisdiction has issued to the District a Determination of Loss of Qualified School Construction Bond Status.

“Date of Loss of Qualified School Construction Bond Status” means the date specified in a Determination of Loss of Qualified School Construction Bond Status as the date from and after which the Qualified School Construction Bonds lost their status, or failed to qualify, as “qualified school construction bonds” as defined in Section 54F of the Code as a result of an Accountable Event of Loss of Qualified School Construction Bond Status, which date could be as early as the date of initial issuance and delivery of the Qualified School Construction Bonds.

“Determination of Loss of Qualified School Construction Bond Status” means (i) a final determination by the IRS (after the District has exhausted or waived all administrative appeal remedies) determining that an Accountable Event of Loss of Qualified School Construction Bond Status has occurred and specifying the Date of Loss of Qualified School Construction Bond Status and the amount of Qualified School Construction Bonds that are subject to the Accountable Event of Loss of Qualified School Construction Bond Status, or (ii) a non-appealable holding by a court of competent jurisdiction holding that an Accountable Event of Loss of Qualified School Construction Bond Status has occurred and specifying the Date of Loss of Qualified School Construction Bond Status.

“DTC” means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors as securities depository for the Qualified School Construction Bonds, including any such successor appointed pursuant to Section 17 hereof.

“DTC Participant” means any entity which is recognized as a participant by DTC in the book-entry system of maintaining records with respect to Qualified School Construction Bonds, Principal Strip Certificates, Tax Credit Certificates, Cash Interest Certificates and Interest Bearing Bonds.

“Interest Bearing Bonds” means the Qualified School Construction Bonds from and after the Tax Credit Conversion Date, if any.

“IRS” means the Internal Revenue Service of the United States Department of the Treasury.

“Office of the Paying Agent” means the principal corporate trust office of the Paying Agent in Los Angeles, California, or such other office as may be specified to the County and the District by the Paying Agent in writing.

“Owner” means (i) with respect to a Qualified School Construction Bond or Interest Bearing Bond, the Person in whose name such Bond is registered on the Registration Books and (ii) with respect to any Principal Strip Certificate, Tax Credit Certificate, or Cash Interest Certificate, the Person in whose name such Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate shall be registered on the Registration Books.

“Paying Agent” shall mean the County Treasurer or any bank, trust company, national banking association or other financial institution appointed as authenticating agent, bond registrar, transfer agent and paying agent for the Bonds in the manner provided in the County Resolution.

“Person” means an individual, corporation, limited liability company, firm, association, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

“Principal Component” means any principal payment with respect to any Qualified School Construction Bond or Interest Bearing Bond.

“Principal Strip Certificates” means certificates executed and delivered by the District and the County in accordance with the Resolutions and this Tax Credits Separation Certificate, which certificates evidence the entitlement of the Owner thereof to the Principal Component with respect to any Qualified School Construction Bond or Interest Bearing Bond, as applicable, the Tax Credit

Component or Cash Interest Payment Component related to which have been separated therefrom pursuant to the Resolutions and this Tax Credits Separation Certificate.

“Registration Books” means the books of the District for the registration and transfer of the Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates kept by the Paying Agent in accordance with Section 14 of this Tax Credits Separation Certificate.

“Supplemental Coupon” means the interest which the Qualified School Construction Bonds bear (at the Supplemental Coupon Rate) at the time of the issuance thereof (and which Interest Bearing Bonds and the Principal Strip Certificates related to which will continue to bear from and after the Tax Credit Conversion Date, if any).

“Supplemental Coupon Rate” means ____% per annum.

“Tax Certificate” means the Tax Certificate executed and delivered by the District in connection with the issuance of the Qualified School Construction Bonds.

“Tax Credit” means the entitlement, pursuant to the Tax Credit Program, of a taxpayer to recognize a credit against the tax imposed by Chapter 1 of the Code.

“Tax Credit Allowance Date” means, with respect to Qualified School Construction Bonds, each March 15, June 15, September 15 and December 15 of each year beginning on December 15, 2009 and ending on the maturity date thereof unless such Qualified School Construction Bonds shall have been converted to Interest Bearing Bonds.

“Tax Credit Certificates” means the certificates executed and delivered in accordance with the Resolutions and this Tax Credits Separation Certificate, which certificates evidence the entitlement of the Owner thereof to the Tax Credits with respect to any Qualified School Construction Bond, the Principal Components related to which have been separated therefrom pursuant to this Tax Credits Separation Certificate. The maximum amount of a Tax Credit Certificate with respect to any single Tax Credit Allowance Date shall not exceed \$_____ (being twenty-five percent (25%) of the product of (i) the initial principal amount of the Qualified School Construction Bonds and (ii) the Tax Credit Rate).

“Tax Credit Component” means the component of each Qualified School Construction Bond relating to the Tax Credits.

“Tax Credit Conversion Date” means (i) the December 15 following the next succeeding August 1 after the Date of Determination of Loss of Qualified School Construction Bond Status, or (ii) after the receipt of the Paying Agent of a written notice from the District of its election to convert the Qualified School Construction Bonds to Interest Bearing Bonds as provided in Section 7 of this Tax Credits Separation Certificate in connection with the defeasance of the Qualified School Construction Bonds, the March 15, June 15, September 15 or December 15 immediately preceding the date the Qualified School Construction Bonds are defeased.

“Tax Credit Program” means the program for allocating Tax Credits and authorizing the issuance of qualified school construction bonds promulgated under Sections 54A and 54F of the Code.

“Tax Credit Rate” means the Tax Credit Rate for the Qualified School Construction Bonds established by the United States Department of Treasury and set forth in Section 3 of this Tax Credits Separation Certificate.

Section 3. Tax Credit Rate for the Qualified School Construction Bonds. The Tax Credit Rate for the Qualified School Construction Bonds shall be ____%. Except as otherwise provided in Section 7 of this Tax Credits Separation Certificate, the Owner of a Qualified School Construction Bond on each Tax Credit Allowance Date, or the Owner of the applicable Tax Credit Certificate stripped from such Qualified School Construction Bond pursuant to Section 4 hereof, shall be entitled to claim a Tax Credit on such Tax Credit Allowance Date in an amount equal to twenty-five percent (25%) of the product of (i) the principal amount of such Qualified School Construction Bond and (ii) the Tax Credit Rate. The amount of any Tax Credit for the first Tax Credit Allowance Date shall be pro rated by the number of days from _____, 2009, the date of delivery of the Qualified School Construction Bonds, to the first Tax Credit Allowance Date in accordance with the Code. A similar rule of pro ration shall apply upon any redemption of the Qualified School Construction Bonds prior to maturity.

Owners of Qualified School Construction Bonds and Tax Credit Certificates are, and the County and District shall not be, responsible for calculating and claiming any Tax Credit as of any Tax Credit Allowance Date and in the manner specified in the Code, except as may be required by regulations promulgated in connection with Qualified School Construction Bonds.

Section 4. Stripping of Tax Credits. (a) At any time, by written request to the Paying Agent in the form attached hereto as Attachment I-A (the “Tax Credit Strip Request”), the Owner of (or, with respect to Book-Entry Bonds (notwithstanding anything in Section 17 of this Tax Credits Separation Certificate to the contrary), the DTC Participant for) a Qualified School Construction Bond may, upon presentation of such Qualified School Construction Bond, direct the Paying Agent to authenticate and deliver: (i) a Principal Strip Certificate in a principal amount equal to the principal amount of the Qualified School Construction Bonds to be so separated and (ii) Tax Credit Certificates representing the entitlement to the allocable Tax Credits with respect to such Qualified School Construction Bonds. The form of the Tax Credit Strip Request may be modified or amended by the Paying Agent with the prior written consent of the District and the County.

(b) Upon the receipt of a request and the presentation pursuant to subsection (a) of this Section 4, the Paying Agent shall: (i) authenticate and deliver to or upon the order of the Owner so requesting, Principal Strip Certificates in a face amount equal to the principal amount of the related Qualified School Construction Bond so presented; (ii) authenticate and deliver to or upon the order of the Owner so requesting, Tax Credit Certificates for each remaining Tax Credit Allowance Date in accordance with this Tax Credits Separation Certificate, in a face amount equal to twenty five percent (25%) of the product of (A) the principal amount of the related Qualified School Construction Bond so presented and (B) the Tax Credit Rate; and (iii) contemporaneously with the delivery thereof, reduce, by the amount so converted the amount of Qualified School Construction Bonds that have not been stripped.

(c) The Principal Strip Certificate shall be executed and delivered as a fully registered Principal Strip Certificate in an amount corresponding to an Authorized Denomination and in an amount equal to the principal amount of the related Qualified School Construction Bonds presented.

(d) The Tax Credit Certificates shall be executed and delivered as fully registered Tax Credit Certificates, in face amounts corresponding to Authorized Denominations and in an amount for each equal to twenty five percent (25%) of the product of (i) the principal amount of the related Qualified School Construction Bonds presented and (ii) the Tax Credit Rate. To the extent required by DTC, new CUSIP numbers shall be obtained for each Tax Credit Certificate.

(e) Upon the separation, if any, of the ownership of the Principal Component of a Qualified School Construction Bond from the entitlement of the Owner thereof to the related Tax Credits, the Owner of the Principal Strip Certificate related thereto shall be entitled to the Supplemental Coupon related to such Qualified School Construction Bond.

(f) Notwithstanding the separation, if any, of the ownership of the Principal Component of a Qualified School Construction Bond from the entitlement of the Owner thereof to the related Tax Credit Component, the previously combined Qualified School Construction Bond shall remain outstanding and the ownership of Principal Strip Certificates evidencing the rights to the related Principal Components and the Supplemental Coupon related thereto and the ownership of the Tax Credit Certificates evidencing the rights to such Tax Credits related thereto shall constitute such outstanding Qualified School Construction Bond.

Section 5. Mandatory Redemption from Unexpended Bond Proceeds. In the event of a mandatory redemption of Qualified School Construction Bonds from unexpended Bond Proceeds and in the event that Qualified School Construction Bonds have been exchanged for Principal Strip Certificates and Tax Credit Certificates (in whole or in part) and registered separately pursuant to Section 4 of this Tax Credits Separation Certificate, the amount of unexpended Bond Proceeds shall be allocated, as nearly as reasonably possible, pro rata between (i) Qualified School Construction Bonds and (ii) an amount of (a) Principal Strip Certificates and (b) Tax Credit Certificates that would relate to such principal amount of Principal Strip Certificates, based upon the relative principal amounts of the outstanding Qualified School Construction Bonds and the outstanding Principal Strip Certificates. Any Principal Strip Certificates and Tax Credit Certificates to be so redeemed shall also be called for redemption on the same terms and conditions and in the same manner as the Qualified School Construction Bonds pursuant to the County Resolution and the Bond Purchase Agreement, and the price for redemption to be paid by the District and used to redeem Principal Strip Certificates and Tax Credit Certificates so redeemed shall be allocated to the Qualified School Construction Bonds, Principal Strip Certificates and the Tax Credit Certificates in the proportions and values set forth in the allocable value tables attached as Attachment III to this Tax Credits Separation Certificate.

Section 6. Recombining Principal Components and Tax Credits. (a) At any time, by written request to the Paying Agent in the form attached hereto as Attachment I-C (the "Tax Credit Recombination Request"), the Owner of (or, with respect to Principal Strip Certificates and Tax Credit Certificates held in the book-entry system (notwithstanding anything in Section 17 of this Tax Credits Separation Certificate to the contrary), the DTC Participant for) (i) a Principal Strip Certificate and (ii) sufficient Tax Credit Certificates having Tax Credit Allowance Dates corresponding to each and every Tax Credit Allowance Date that would remain with respect to a Qualified School Construction Bond, and having a face amount with respect to each such Tax Credit Allowance Date equal to the Tax Credits that would be related to a Qualified School Construction Bond with a principal amount equal to the Principal Strip Certificates to be recombined, may, upon presentation to the Paying Agent of such Principal Strip Certificate and Tax Credit Certificates, direct the Paying Agent to authenticate and deliver (1) a Qualified School Construction Bond in a principal

amount equal to the principal amount of the Principal Strip Certificate to be so converted, and (2) reducing, by the amount so converted, the number of Principal Strip Certificates and Tax Credit Certificates. The form of the Tax Credit Recombination Request may be modified or amended by the Paying Agent with the prior written consent of the District and the County.

(b) Upon the receipt of a request and the presentation pursuant to subsection (a) of this Section, the Paying Agent shall authenticate and deliver an unstripped Qualified School Construction Bond in a principal amount equal to the principal amount of the Principal Strip Certificate to be so converted and reduce, by the amount so converted, the amount of separate Principal Strip Certificates and Tax Credit Certificates. Upon the recombination, if any, of a Qualified School Construction Bond, the Qualified School Construction Bond shall be delivered by the Paying Agent as a fully registered Qualified School Construction Bond, in a principal amount corresponding to Authorized Denominations with the CUSIP number for the original combined Qualified School Construction Bond; provided, however, that the Paying Agent may provide a new CUSIP number that is distinct from the CUSIP number for the original combined Qualified School Construction Bond.

Section 7. Conversion of Qualified School Construction Bonds into Interest Bearing Bonds; Conversion of Tax Credit Certificates into Cash Interest Certificates; Disallowed Tax Credits.

(a) The Qualified School Construction Bonds shall be converted, in whole or in part, into Interest Bearing Bonds requiring the District to make cash payments of interest thereon to the Owners thereof as provided in this Section on (i) the December 15 following the next succeeding August 1 after the Date of Determination of Loss of Qualified School Construction Bond Status, or (ii) after the receipt of the Paying Agent of a written notice from the District of its election to convert the Qualified School Construction Bonds to Interest Bearing Bonds in connection with the defeasance of the Qualified School Construction Bonds, the March 15, June 15, September 15 or December 15 immediately preceding the date the Qualified School Constructions are defeased. If either of the events described in the preceding sentence occur, (1) the Qualified School Construction Bonds, any Principal Strip Certificates relating thereto and any Tax Credit Certificates representing Tax Credits for Tax Credit Allowance Dates occurring after the Tax Credit Conversion Date shall, on the Tax Credit Conversion Date or as soon thereafter as practical, be exchanged by the Owner thereof for Interest Bearing Bonds, Principal Strip Certificates relating to the Interest Bearing Bonds and Cash Interest Certificates without the need for any further action or proceeding by the District or the County, (2) such Interest Bearing Bonds, related Principal Strip Certificates and Cash Interest Certificates shall, from and after the Tax Credit Conversion Date, be Interest Bearing Bonds or related Principal Strip Certificates and Cash Interest Certificates, respectively, for all purposes of the Resolutions and this Tax Credits Separation Certificate, and (3) if the Qualified School Construction Bonds have not already ceased to be “qualified school construction bonds” under Section 54F of the Code as a result of a Determination of Loss of Qualified School Construction Bond Status, the Qualified School Construction Bonds, from and after the Tax Credit Conversion Date, shall cease to be “qualified school construction bonds” under Section 54F of the Code. Interest Bearing Bonds shall bear interest (in addition to the Supplemental Coupon) from the Tax Credit Conversion Date (with appropriate adjustment for any Tax Credits that in fact will be allowed to the Owner by the IRS subsequent to such Tax Credit Conversion Date) to maturity at an interest rate per annum equal to the Tax Credit Rate, payable quarterly on each Cash Interest Payment Date. Such interest shall be computed on the basis of a 360-day year of twelve 30-day months. The Owner of any Interest Bearing Bond or Principal Strip Certificate related thereto shall be entitled to the Supplemental Coupon related to the Qualified School Construction Bond so converted. If the Qualified School Construction Bonds are converted into Interest Bearing Bonds, any Qualified School Constructions

Bonds, Principal Strip Certificates related thereto or Tax Credit Certificates not exchanged for Interest Bearing Bonds, Principal Strip Certificates related thereto and Cash Interest Certificates by the Owners thereof shall be deemed to be so exchanged.

(b) If either of the events described in the first sentence of subsection (a) of this Section occur, the Paying Agent shall send a written notice to the Owners of the Qualified School Construction Bonds, Principal Strip Certificates and Tax Credit Certificates, stating that (i) as of the Tax Credit Conversion Date, the related Qualified School Construction Bonds have been or shall be converted into Interest Bearing Bonds for all purposes of the Resolutions and this Tax Credits Separation Certificate, and (ii) such Owners are required to deliver, on the Tax Credit Conversion Date or as soon thereafter as practical, their Qualified School Construction Bonds, any Principal Strip Certificates relating thereto and Tax Credit Certificates (for Tax Credit Allowance Dates occurring after the Tax Credit Conversion Date) to the Paying Agent in exchange for an Interest Bearing Bond or Bonds, Principal Strip Certificates relating to the Interest Bearing Bonds and Cash Interest Certificates in Authorized Denominations in the same respective face amount as the Qualified School Construction Bonds and any Principal Strip Certificates relating to such Qualified School Construction Bonds and Tax Credit Certificates so delivered by such Owners. Upon the conversion of Qualified School Construction Bonds into Interest Bearing Bonds, Principal Strip Certificates relating to Qualified School Construction Bonds into Principal Strip Certificates relating to Interest Bearing Bonds and Tax Credit Certificates, if any, into Cash Interest Certificates, the District and the County shall execute, and the Paying Agent shall authenticate and deliver, to the Owners of the Qualified School Construction Bonds, Principal Strip Certificates relating to the Qualified School Construction Bonds and Tax Credit Certificates, if any, entitled thereto, fully registered Interest Bearing Bonds, Principal Strip Certificates relating to such Interest Bearing Bonds and Cash Interest Certificates in substantially the forms authorized in the County Resolution.

(c) In addition, in the event that any Tax Credits with respect to Tax Credit Allowance Dates occurring on or prior to the Tax Credit Conversion Date are determined to be ineligible as Tax Credits as a result of the Determination of Loss of Qualified School Construction Bond Status, the District shall pay to the Owners (as of the applicable Tax Credit Allowance Dates for such disallowed Tax Credits) of the Qualified School Construction Bonds or Tax Credit Certificates, as appropriate, an amount equal to the amount of such disallowed Tax Credits, plus interest thereon from the applicable Tax Credit Allowance Date to the date of payment, compounded quarterly at the rates equal to the large corporate underpayment rates determined from time to time by the IRS during such interest compounding period to be paid on or before the January 15th following the next succeeding August 1 after the Date of Determination of Loss of Qualified School Construction Bond Status.

Section 8. Stripping of Cash Interest Certificates. (a) At any time, by written request to the Paying Agent in the form attached hereto as Attachment I-B (the “Cash Interest Strip Request”), the Owner of (or, with respect to Book-Entry Bonds (notwithstanding anything in Section 17 of this Tax Credits Separation Certificate to the contrary), the DTC Participant for) an Interest Bearing Bond may, upon presentation of such Interest Bearing Bond, direct the Paying Agent to authenticate and deliver (i) a Principal Strip Certificate in a principal amount equal to the principal amount of the Interest Bearing Bonds to be so separated and (ii) Cash Interest Certificates representing the entitlement to the Cash Interest Payment Component with respect to such Interest Bearing Bonds to be converted. The form of the Cash Interest Strip Request may be modified or amended by the Paying Agent with the prior written consent of the District and the County.

(b) Upon the receipt of a request and the presentation of an Interest Bearing Bond pursuant to subsection (a) of this Section, the Paying Agent shall: (i) authenticate and deliver to or upon the order of the Owner so requesting, a Principal Strip Certificate in a principal amount equal to the principal amount of the related Interest Bearing Bond so presented; (ii) authenticate and deliver to or upon the order of the Owner so requesting, Cash Interest Certificates for each remaining Cash Interest Payment Date in accordance with this Tax Credits Separation Certificate, in an amount equal to twenty five percent (25%) of the product of (A) the principal amount of the related Interest Bearing Bond so presented and (b) the Tax Credit Rate; and (iii) contemporaneously with the delivery thereof, reduce, by the amount so converted the amount of Interest Bearing Bonds that have not been stripped.

(c) The Principal Strip Certificate shall be executed and delivered as a fully registered Principal Strip Certificate, in an amount corresponding to an Authorized Denomination and in an amount equal to the principal amount of the related Interest Bearing Bond presented.

(d) The Cash Interest Certificates shall be executed and delivered as fully registered Cash Interest Certificates, in amounts corresponding to Authorized Denominations and in an amount for each equal to twenty five percent (25%) of the product of (i) the principal amount of the related Interest Bearing Bonds presented and (ii) the Tax Credit Rate. To the extent required by DTC, specific CUSIP numbers shall be obtained for each Cash Interest Certificate.

(e) Upon the separation, if any, of the ownership of the Principal Component of an Interest Bearing Bond from the entitlement of the Owner thereof to the related Cash Interest Payment Component, the Owner of the Principal Strip Certificate related thereto shall be entitled to the Supplemental Coupon related to such Interest Bearing Bond.

(f) Notwithstanding the separation, if any, of the ownership of the Principal Component of an Interest Bearing Bond from the entitlement of the Owner thereof to the related Cash Interest Payment Component, the previously combined Interest Bearing Bond shall remain outstanding and the ownership of Principal Strip Certificates evidencing the rights to the related Principal Components and the Supplemental Coupon related thereto and the ownership of the Cash Interest Certificates shall constitute such outstanding Interest Bearing Bond.

Section 9. Recombining Principal Components and Cash Interest Payments. (a) At any time, by written request to the Paying Agent in the form attached hereto as Attachment I-D (the "Cash Interest Recombination Request"), the Owner of (or, with respect to Principal Strip Certificates and Cash Interest Certificates held in the book-entry system (notwithstanding anything in Section 17 of this Tax Credits Separation Certificate to the contrary), the DTC Participant for) (i) a Principal Strip Certificate and (ii) sufficient Cash Interest Certificates having payment dates corresponding to each and every Cash Interest Payment Date that would remain with respect to an Interest Bearing Bond, and having a face amount with respect to each such Cash Interest Payment Date equal to the amount of the Cash Interest Payment Component that would be paid on an Interest Bearing Bond with a principal amount equal to the Principal Strip Certificates to be recombined, may, upon presentation of such Principal Strip Certificates and Cash Interest Certificates, direct the Paying Agent to authenticate and deliver (1) an Interest Bearing Bond in a principal amount equal to the principal amount of the Principal Strip Certificate to be so converted, and (2) reducing by the amount so converted, the amount of Principal Strip Certificates and Cash Interest Certificates. The form of the Cash Interest Recombination Request may be modified or amended by the Paying Agent with the prior written consent of the District and the County.

(b) Upon the receipt of a request and the presentation pursuant to subsection (a) of this Section, the Paying Agent shall authenticate and deliver an unstripped Interest Bearing Bond in a principal amount equal to the principal amount of the Principal Strip Certificates to be so converted, and reduce, by the amount so converted, the amount of separate Principal Strip Certificates and Cash Interest Certificates. Upon the recombination, if any, of Principal Strip Certificates and the Cash Interest Certificates, Interest Bearing Bonds shall be delivered by the Paying Agent as fully registered Interest Bearing Bonds, in principal amounts corresponding to Authorized Denominations with the CUSIP number for the original combined Qualified School Construction Bond; provided, however, that the Paying Agent may request a new CUSIP number that is distinct from the CUSIP number for the original combined Qualified School Construction Bond.

Section 10. Rights, Remedies and Redemptions of Separate Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates. For purposes of the Resolutions, if and to the extent that any Qualified School Construction Bonds or Interest Bearing Bonds are separated into Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates, the Owners of the Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates shall have the same rights and remedies granted to the Owners of Qualified School Construction Bonds or Interest Bearing Bonds, as applicable, and shall receive all notices required to be sent to Owners of the Qualified School Construction Bonds or Interest Bearing Bonds. For purposes of determining if there is 60% in aggregate principal amount of the Outstanding Bonds affected by a proposed action, consent or direction, if the proposed action, consent or direction would affect the Owners of Qualified School Construction Bonds or Interest Bearing Bonds, the Owners of the Principal Strips Certificates, Tax Credit Certificates and Cash Interest Certificates shall be entitled to collective voting rights equal to the principal amount of the related Principal Strip Certificates, and such voting rights shall be further allocated to the Owners of the Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates in proportion to the values set forth in Attachment III to this Tax Credits Separation Certificate.

Section 11. Forms of Qualified School Construction Bonds, Interest Bearing Bonds, Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates. The Principal Strip Certificates and Tax Credit Certificates relating to the Qualified School Construction Bonds, including the Paying Agent's Certificate of Authentication and Registration thereon, shall be in substantially the form of Appendix I to the form of Qualified School Construction Bond set forth in Exhibit D to the County Resolution, with appropriate or necessary insertions, omissions and variations as permitted or required by the Resolutions or this Tax Credits Separation Certificate. The Principal Strip Certificates and Cash Interest Certificates relating to the Interest Bearing Bonds, including the Paying Agent's Certificate of Authentication and Registration thereon, shall be in substantially the form of Appendix I to the form of Interest Bearing Bond set forth in Exhibit E to the County Resolution, with appropriate or necessary insertions, omissions and variations as permitted or required by the Resolutions or this Tax Credits Separation Certificate.

Section 12. Execution of Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates. The Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates shall be signed by the manual or facsimile signature of the Chairman of the Board of Supervisors and the County Treasurer and countersigned by the Clerk and by the manual or facsimile signature of an Authorized District Officer and countersigned by the Executive Officer, Board of Education pursuant to the County Resolution. The Principal Strip Certificates, Tax Credit Certificates and Tax Credit Certificates shall then be delivered to the Paying Agent for authentication by it.

Section 13. Authentication of Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates. Only such of the Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates as shall bear thereon a Certificate of Authentication and Registration as described in Section 11 hereof, executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of the Resolutions and this Tax Credits Separation Certificate, and such certificate of the Paying Agent shall be conclusive evidence that the Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates so authenticated have been duly authenticated and delivered as set forth hereunder and in the Principal Strip Certificate, Tax Credit Certificates and Cash Interest Certificates and are entitled to the benefits of the Resolutions and this Tax Credits Separation Certificate.

Section 14. Registration Books. The Paying Agent will keep or cause to be kept at its principal corporate trust office sufficient books for the registration and transfer of ownership of the Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates which shall at all times be open to inspection by the District and the County and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered, transferred or exchanged the Principal Strip Certificate, Tax Credit Certificates, and Cash Interest Certificates as provided in Sections 12, 15, 16 and 17 hereof.

The District shall cause each Qualified School Construction Bond, Interest Bearing Bond, Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate authenticated and registered by the Paying Agent to be assigned a distinctive letter or number, or letter and number.

Section 15. Transfer and Exchange of Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates. Any Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates may, in accordance with its terms and the Tax Credits Separation Certificate, be transferred upon the Registration Books by the Person in whose name it is registered, in person or by such Person's duly authorized attorney, upon surrender of such Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate, as applicable, for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form acceptable to the Paying Agent. Whenever any Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate shall be surrendered for transfer, the District and the County shall execute and the Paying Agent shall authenticate and shall deliver a new Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate, as applicable, in an Authorized Denomination and of the same tenor, maturity and interest rate, if any. The Paying Agent shall require the Owner requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer.

Any Principal Strip Certificate, Tax Credit Certificate and Cash Interest Certificate may be exchanged at the Office of the Paying Agent for a like Authorized Denomination of Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates, as applicable, of the same tenor, maturity and interest rate, if any, of other Authorized Denominations. The Paying Agent shall require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

The Paying Agent shall not be obligated to make any transfer or exchange of Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates pursuant to this Section during the period established by the Paying Agent for the selection of Principal Strip Certificates, Tax Credit Certificates, Cash Interest Certificates or related Qualified School Construction Bonds or Interest

Bearing Bonds, as applicable, for redemption, or with respect to any Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates selected for redemption.

Section 16. Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates Mutilated, Lost, Destroyed or Stolen. If any Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate shall become mutilated, the County and the District, at the expense of the Owner of said Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate, as applicable, of like tenor in exchange and substitution for the Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate, as applicable, so mutilated, but only upon surrender to the Paying Agent of the Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate so mutilated. Every mutilated Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate so presented to the Paying Agent shall be canceled by it and delivered to, or upon the order of, the County and the District.

If any Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Paying Agent and, if such evidence and indemnity satisfactory to the Paying Agent and the County and the District shall be given, the County and the District, at the expense of the Owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate, as applicable, of like tenor in lieu of and in replacement for the Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate so lost, destroyed or stolen (or if any such Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate shall have matured or shall have been selected for redemption, instead of issuing a replacement Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate, as applicable, the Paying Agent may pay the same without surrender thereof).

The County and the District may require payment by the Owner of a sum not exceeding the actual cost of preparing each replacement Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate issued under this Section and of the expenses which may be incurred by the County, District and the Paying Agent.

Any Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate issued under the provisions of this Section in lieu of any Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the County and the District whether or not the Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be entitled to the benefits of the Resolution and the Tax Credits Separation Certificate, if applicable, with all other Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates secured by the Resolution.

Section 17. Book-Entry System. (a) Upon the separation of the ownership of the Qualified School Construction Bonds from the entitlement of the Owner thereof to the related Tax Credits or the separation of the ownership of the Interest Bearing Bonds from the entitlement of the Owner thereof to the Cash Interest Payment Component, the ownership of Principal Strip Certificates evidencing the rights to the related Principal Components and the ownership of the Tax Credit Certificates evidencing the rights to such Tax Credits or the ownership of the Cash Interest Certificates evidencing the rights to such Cash Interest Payment Component, as applicable, shall be

registered in the Registration Books in the name of Cede & Co., as nominee of DTC, except as provided in subsection (c) of this Section. The Paying Agent, the County and the District may treat DTC (or its nominee) as the sole and exclusive Owner of the Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates, as applicable, registered in its name for the purposes of payment of amounts, if any, with respect to the Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates, as applicable, selecting the Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates or portions thereof, as applicable, to be redeemed, giving any notice permitted or required to be given to Owners of Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates, as applicable, under this Tax Credits Separation Certificate, registering the transfer of Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates, as applicable, obtaining any consent or other action to be taken by Owners of Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates, as applicable, and for all other purposes whatsoever, and the Paying Agent, the County and the District shall not be affected by any notice to the contrary. The Paying Agent, the County and the District shall not have any responsibility or obligation to any DTC Participant, any person claiming a beneficial ownership interest in the Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates under or through DTC or any DTC Participant, or any other person which is not shown on the Registration Books as being an Owner, with respect to the accuracy of any records maintained by DTC or any DTC Participant; the payment by DTC or any DTC Participant of any amount in respect of the Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates; any notice which is permitted or required to be given to Owners of Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates under this Tax Credits Separation Certificate; the selection by DTC or any DTC Participant of any person to receive payment in the event of a partial redemption of the Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates; or any consent given or other action taken by DTC as Owner of Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates. The Paying Agent shall pay all amounts, if any, with respect to the Principal Strip Certificates and Cash Interest Certificates, as applicable, only to DTC, and all such payments shall be valid and effective to fully satisfy and discharge the County and the District's obligations with respect to any such amounts with respect to the Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates, as applicable, to the extent of the sum or sums so paid. Except under the conditions of subsection (c) of this Section, no person other than DTC shall receive an executed Principal Strip Certificate, Tax Credit Certificate or Cash Interest Certificate. Upon delivery by DTC to the Paying Agent of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to record dates, the term "Cede & Co." in this Tax Credits Separation Certificate shall refer to such new nominee of DTC.

(b) Notwithstanding anything to the contrary contained in Sections 4, 6, 8 or 9 or otherwise in this Tax Credits Separation Certificate, so long as the Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates, as applicable, are registered in the name of Cede & Co. or its registered assigns, the Paying Agent shall process all Tax Credit Strip Requests, Cash Interest Strip Requests, Tax Credit Recombination Requests and Cash Interest Recombination Requests through DTC's book entry system.

(c) Notwithstanding anything to the contrary contained in this Tax Credits Separation Certificate, so long as the Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates, as applicable, are registered in the name of Cede & Co., or its registered assigns, the District and the Paying Agent shall cooperate with Cede & Co., as sole registered Owner, or its registered assigns, in effecting payment of the redemption price, if any, of the Principal Strip

Certificates, Tax Credit Certificates and Cash Interest Certificates by arranging for payment in such manner that funds for such payments are properly identified and are made by wire transfer of same-day funds on the date they are due.

(d) In the event (i) DTC, including any successor as securities depository for the Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates, determines not to continue to act as securities depository for the Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates; or (ii) the County (upon consultation with the District) determines that the incumbent securities depository shall no longer so act, subject to the applicable procedures of the incumbent securities depository, and delivers a written certificate to the Paying Agent to that effect, then the County will discontinue the book-entry system with the incumbent securities depository for the Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates. If the County (upon consultation with the District) determines to replace the incumbent securities depository for the Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates with another qualified securities depository, subject to the applicable procedures of the incumbent securities depository, the County shall prepare or direct the preparation of a new single, separate fully registered Principal Strip Certificate, a new single, separate fully registered Tax Credit Certificate for the aggregate outstanding amount of Tax Credits that have been separated from the ownership of the related Qualified School Construction Bonds and a new single, separate fully registered Cash Interest Certificate, as applicable, or, to the extent authorized by this Tax Credits Separation Certificate, portion thereof, registered in the name of such successor or substitute qualified securities depository, or its nominee, or make such other arrangement acceptable to the County, the District, the Paying Agent and the successor securities depository for the Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates as are not inconsistent with the terms of this Tax Credits Separation Certificate. If the County fails to identify another qualified successor securities depository of the Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates to replace the incumbent securities depository, then the Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates shall no longer be restricted to being registered in the Registration Books in the name of the incumbent securities depository or its nominee, but shall be registered in whatever name or names the incumbent securities depository for the Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates, as applicable, or its nominee, shall designate. In such event the Paying Agent shall authenticate and deliver a sufficient quantity of the Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates as necessary to carry out the transfers and exchanges provided in the County Resolution and Section 15 hereof.

(e) So long as the Tax Credit Certificates are registered in the name of Cede & Co. or its registered assigns, the Paying Agent shall provide notice to DTC of the expiration of each Tax Credit Certificate, not less than forty-five (45) days prior to the Tax Credit Allowance Date for such Tax Credit Certificate, in the form included as Attachment II hereto.

Section 18. Defeasance of the Qualified School Construction Bonds. Notwithstanding anything in the Resolutions to the contrary, the District shall not cause all or a portion of the Qualified School Construction Bonds to be defeased and deemed paid unless, prior thereto, the District shall have either (i) obtained a ruling from the IRS to the effect that such defeasance of the Qualified School Construction Bonds will not cause a loss of the associated Tax Credits, or (ii) elected to convert the Qualified School Construction Bonds into Interest Bearing Bonds as provided in Section 7 of this Tax Credits Separation Certificate; provided, however, that any defeasance in connection with a conversion pursuant to clause (ii) must occur at least forty-six (46) days prior to the Tax Credit Allowance Date immediately following such a defeasance.

Section 19. Purchase of the Qualified School Construction Bonds or Principal Strip Certificates. Notwithstanding anything in the Resolutions to the contrary, the District hereby covenants that it shall not purchase, hold or own, whether by purchase, gift, bequest or devise, any of the Qualified School Construction Bonds or related Principal Strip Certificates, Tax Credit Certificates, Interest Bearing Bonds or Cash Interest Certificates, if any, pursuant to any arrangement, formal or informal.

Section 20. Amendment; Waiver. This Tax Credits Separation Certificate may be amended, by written agreement of the parties, and any provision of this Tax Credits Separation Certificate may be waived, each without the consent of the Owners of the Qualified School Construction Bonds, Interest Bearing Bonds, Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates or any other Person, if (i)(a) an amendment to Section 54A or 54F of the Code is adopted, or a new or modified official interpretation of Section 54A or 54F of the Code is issued, after the effective date of this Tax Credits Separation Certificate which is applicable to this Tax Credits Separation Certificate and the transactions contemplated hereby; (b) legislation shall have been enacted by the United States or the State, or a decision shall have been rendered by a court of the United States or the Tax Court of the United States, or a ruling shall have been made or a regulation, proposed regulation or a temporary regulation or an official statement shall have been published in the Federal Register or any other release or announcement shall have been made by or on behalf of the Treasury Department of the United States, U.S. Securities and Exchange Commission or the Internal Revenue Service with respect to the stripping of Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates from the related Qualified School Construction Bonds or Interest Bearing Bonds, as applicable, or (c) rules, procedures or guidance shall have been adopted by DTC or any successor or replacement securities depository with respect to the stripping of Principal Strip Certificates, Tax Credit Certificates or Cash Interest Certificates from the related Qualified School Construction Bonds or Interest Bearing Bonds, as applicable and (ii) the District shall have delivered to the Paying Agent an opinion of counsel addressed to the District, the County and the Paying Agent to the effect that performance by the District, the County and Paying Agent under this Tax Credits Separation Agreement as so amended or giving effect to such waiver, as the case may be, will not result in a violation of Sections 54A or 54F of the Code. The District shall cause to be given to the Owners prompt notice of any such amendment to or waiver of any provision of this Tax Credits Separation Certificate.

Section 21. Protections of the Paying Agent. The Paying Agent shall be entitled to all of the rights, protections, immunities and indemnities provided to it as Paying Agent and Registrar under the Resolutions.

Section 22. Beneficiaries. This Tax Credits Separation Certificate shall inure solely to the benefit of the District, the County and Owners from time to time of the Qualified School Construction Bonds, Interest Bearing Bonds, Principal Strip Certificates, Tax Credit Certificates and Cash Interest Certificates, and shall create no rights in any other person or entity.

LITTLE LAKE CITY SCHOOL DISTRICT

By: _____
Name: _____
Title: _____

COUNTY OF LOS ANGELES

By: _____
Mark J. Saladino
Treasurer and Tax Collector

AGREED AND ACCEPTED:

U.S. BANK NATIONAL ASSOCIATION,
as the Agent to the Paying Agent

By: _____
Name: _____
Title: _____

ATTACHMENT I-A

FORM OF TAX CREDIT STRIP REQUEST

To: [via email] _____@_____.com

Re: Certificates Evidencing Tax Credit Entitlement related to the Little Lake City School District Election of 2000 General Obligation Bonds, Series D-1 (Qualified School Construction Bonds) (Tax Credit Bonds)

The undersigned, _____, hereby certifies as follows:

1. I am the Registered Owner of (or, with respect to Book-Entry Bonds, the DTC Participant for) Little Lake City School District Election of 2000 General Obligation Bonds, Series D-1 (Qualified School Construction Bonds) (Tax Credit Bonds) (the "Bonds"), in the principal amount, maturing on and with the Original CUSIP number, all as set forth in the attached Schedule I hereto and presented herewith.

2. Pursuant to the provisions of Section 4 of the Tax Credits Separation Certificate, dated November __, 2009 of the County of Los Angeles and the Little Lake City School District (the "Tax Credits Separation Certificate"), I hereby request the separation of the Tax Credit Component from the Principal Component of the Bonds identified in Paragraph 1 above and direct the Paying Agent to take such necessary action in connection therewith as is set forth in the Tax Credits Separation Certificate in connection therewith.

Capitalized terms used but not defined herein shall have the meanings set forth in the Tax Credits Separation Certificate.

Dated: _____

By: _____

SCHEDULE I

IDENTIFICATION OF TAX CREDIT BONDS TO BE STRIPPED

Withdrawal:	CUSIP	Maturity Date	Amount (dollars):	Participant Number:
Original CUSIP				
Deposits:				
Principal Strip Certificate CUSIP				
Tax Credit Certificate CUSIP				
December 15, 2009				
March 15, 2010				
June 15, 2010				
September 15, 2010				
December 15, 2010				
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September 15, 2025				

ATTACHMENT I-B

FORM OF CASH INTEREST STRIP REQUEST

To: [via email] _____@_____.com

Re: Certificates Evidencing Tax Credit Entitlement related to the Little Lake City School District Election of 2000 General Obligation Bonds, Series D-1 (Qualified School Construction Bonds) (Tax Credit Bonds)

The undersigned, _____, hereby certifies as follows:

1. I am the Registered Owner of (or, with respect to Book-Entry Bonds, the DTC Participant for) Little Lake City School District Election of 2000 General Obligation Bonds, Series D-1 (Qualified School Construction Bonds) (Tax Credit Bonds) (the "Bonds"), in the principal amount, maturing on and with the Original CUSIP number, all as set forth in the attached Schedule I hereto and presented herewith. The Bonds have been converted to Interest Bearing Bonds pursuant to Section 7 of the Tax Credits Separation Certificate dated _____, 2009 of the County of Los Angeles and the Little Lake City School District (the "Tax Credits Separation Certificate").

2. Pursuant to the provisions of Section 8 of the Tax Credits Separation Certificate, I hereby request the separation of the Cash Interest Payment Component from the Principal Component of the Bonds identified in Paragraph 1 above and direct the Paying Agent to take such necessary action in connection therewith as is set forth in the Tax Credits Separation Certificate in connection therewith.

Capitalized terms used but not defined herein shall have the meanings set forth in the Tax Credits Separation Certificate.

Dated: _____

By: _____

SCHEDULE I

IDENTIFICATION OF INTEREST BEARING BONDS TO BE STRIPPED

Withdrawal:	CUSIP	Maturity Date	Amount (dollars):	Participant Number:
Interest Bearing Bond Original CUSIP				
Deposits:				
Principal Strip Certificate CUSIP				
Cash Interest Certificate CUSIP				
December 15, 2009				
March 15, 2010				
June 15, 2010				
September 15, 2010				
December 15, 2010				
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September 15, 2025				

ATTACHMENT I-C

FORM OF TAX CREDIT RECOMBINATION REQUEST

To: [via email] _____@_____.com

Re: Certificates Evidencing Tax Credit Entitlement related to the Little Lake City School District Election of 2000 General Obligation Bonds, Series D-1 (Qualified School Construction Bonds) (Tax Credit Bonds)

The undersigned, _____, hereby certifies as follows:

1. I am the Registered Owner of (or, with respect to Principal Strip Certificates and Tax Credit Certificates held in the book-entry system, the DTC Participant for) a Principal Strip Certificate related to the Little Lake City School District Election of 2000 General Obligation Bonds, Series D-1 (Qualified School Construction Bonds) (Tax Credit Bonds) (the "Bonds"), in the principal amount, date of maturity and with the CUSIP number, and the Registered Owner of the Tax Credit Certificates related to the Bonds in the face amount and with the CUSIP number, all as set forth in the attached Schedule I hereto and both the Principal Strip Certificate and Tax Credit Certificates are presented herewith.

2. Pursuant to the provisions of Section 6 of the Tax Credits Separation Certificate, dated _____, 2009 (the "Tax Credits Separation Certificate") of the County of Los Angeles and the Little Lake City School District, I hereby request the recombination of the Tax Credit Component with the Principal Component of the Bonds identified in Paragraph 1 above and direct the Paying Agent to take such necessary action in connection therewith as is set forth in the Tax Credits Separation Certificate to combine the Principal Strip Certificates and Tax Credit Certificates into an unstripped Bond.

Capitalized terms used but not defined herein shall have the meanings set forth in the Tax Credits Separation Certificate.

Dated: _____

By: _____

SCHEDULE I

**IDENTIFICATION OF QUALIFIED SCHOOL CONSTRUCTION
BONDS TO BE RECOMBINED**

Withdrawal:	CUSIP	Maturity Date	Amount (dollars):	Participant Number:
Principal Strip Certificate CUSIP				
Tax Credit Certificate CUSIP				
December 15, 2009				
March 15, 2010				
June 15, 2010				
September 15, 2010				
December 15, 2010				
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September 15, 2025				
Deposits:				
Qualified School Construction Bond CUSIP				

ATTACHMENT I-D

FORM OF CASH INTEREST RECOMBINATION REQUEST

To: [via email] _____@_____.com

Re: Certificates Evidencing Tax Credit Entitlement related to the Little Lake City School District Election of 2000 General Obligation Bonds, Series D-1 (Qualified School Construction Bonds) (Tax Credit Bonds)

The undersigned, _____, hereby certifies as follows:

1. I am acting on behalf of the Registered Owner of (or, with respect to Principal Strip Certificates and Cash Interest Certificates held in the book-entry system, the DTC Participant for) Principal Strip Certificates related to the Little Lake City School District Election of 2000 General Obligation Bonds, Series D-1 (Qualified School Construction Bonds) (Tax Credit Bonds) (the "Bonds"), in the principal amount, date of maturity and with the Original CUSIP number, and the Registered Owner of Cash Interest Certificates related to the Bonds in the face amount and with the CUSIP number, all as set forth in the attached Schedule I hereto and both the Principal Strip Certificates and Cash Interest Certificates are presented herewith. The Bonds heretofore have been converted to Interest Bearing Bonds pursuant to Section 7 of the Tax Credits Separation Certificate dated _____, 2009 (the "Tax Credits Separation Certificate"), of the County of Los Angeles and the Little Lake City School District.

2. Pursuant to the provisions of Section 9 of the Tax Credits Separation Certificate, I hereby request the recombination of the Cash Interest Payment Component with the Principal Component of the Bonds identified in Paragraph 1 above and direct the Paying Agent to take such necessary action in connection therewith as is set forth in the Tax Credits Separation Certificate to combine such Principal Strip Certificates and Cash Interest Certificates into an unstripped Interest Bearing Bond.

Capitalized terms used but not defined herein shall have the meanings set forth in the Tax Credits Separation Certificate.

Dated: _____

By: _____

SCHEDULE I

IDENTIFICATION OF INTEREST BEARING BONDS TO BE RECOMBINED

Withdrawal:	CUSIP	Maturity Date	Amount (dollars):	Participant Number:
Principal Strip Certificate CUSIP				
Cash Interest Certificate CUSIP				
December 15, 2009				
March 15, 2010				
June 15, 2010				
September 15, 2010				
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September 15, 2025				
Deposits:				
Interest Bearing Bond CUSIP				

ATTACHMENT II

FORM OF TAX CREDIT CERTIFICATE EXPIRATION NOTICE

To: The Depository Trust Company – via email only to: redemptionnotification@dtcc.com

Re: Certificates Evidencing Tax Credit Entitlement related to the Little Lake City School District Election of 2000 General Obligation Bonds, Series D-1 (Qualified School Construction Bonds) (Tax Credit Bonds) – Expiration/Total Redemption

NOTICE IS HEREBY GIVEN that the amounts of Tax Credit Certificates identified below by the CUSIP number shall expire on _____ 15, 20 __, the applicable Tax Credit Allowance Date, in full with no value.

<u>Expiration Date:</u>	<u>Price:</u>	<u>Rate:</u>	<u>Amount:</u>	<u>CUSIP</u>
_____ 15, 20 __	ZERO	ZERO	ZERO	_____

For purposes of DTC records, the expiration of the Tax Credit Certificates is considered a redemption of the securities, and the Tax Credit Certificates identified herein are being called for redemption at no principal amount or accrued interest. On the expiration date the position in this CUSIP must be cancelled. No further Tax Credits will be offered.

Dated: [45 days prior to Expiration Date/Tax Credit Allowance Date]

TREASURER AND TAX COLLECTOR
OF THE COUNTY OF LOS ANGELES,
as Paying Agent

By: U.S. NATIONAL ASSOCIATION, as Agent

By: _____
Authorized Signatory

ATTACHMENT III
[TABLE OF ALLOCABLE VALUES]